



DAILY REPORT

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XINHUA COMMENTARY ON U.S.-SOVIET RELATIONS

HK270458 Beijing XINHUA Hong Kong Service in Chinese 0321 GMT 27 Jan 84

[Commentary by XINHUA reporter Tang Shan: "Will U.S.-Soviet Relations Become Less Strained This Year?"]

[Text] Beijing, 27 Jan (XINHUA) -- The year 1983 ended amid great tension in U.S.-Soviet relations. Will these relations become less strained this year? People are currently watching this issue. What movements have there been in U.S.-Soviet relations in the new year? What are their intentions?

On 16 January, U.S. President Reagan made a speech "in a conciliatory tone," in which he expressed the desire to "establish a constructive and realistic working relationship" with the Soviet Union, to hold "the most serious and constructive possible dialogue" with the Soviet Union, and "to make 1984 a year of opportunity for attaining peace." Moscow held that this was "a long address of sham peace," and that in fact the U.S. Government was "a war-loving hawk in dove feathers"; although Reagan had "avoided excessively strong language," he "has not advanced at all from his original position," and continued to insist on "building a relationship with the Soviet Union from a position of strength."

On 17 January, U.S. Secretary of State Shultz spoke at the European Disarmament Conference in Stockholm, again proffering the olive branch to Moscow. However, Soviet Foreign Minister Gromyko's speech at the conference the following day fiercely assailed the U.S. "policy of militarism and aggression." He said that this policy was "the main threat to peace." He said that so long as the United States and the NATO countries did not return to the situation before the deployment of U.S. missiles in Europe, the Soviet Union would not agree to resume the Geneva nuclear talks.

On 18 January, Gromyko and Shultz held talks for 5 hours. TASS said that during the talks Gromyko "resolutely denounced Washington's policies." Shultz acknowledged that the talks had made no headway on resuming the U.S.-Soviet nuclear talks at Geneva. By way of replying to Reagan's 16 January speech, the Kremlin published a PRAVDA interview with Andropov on 24 January. Andropov accused the United States of sabotaging the Geneva talks. He said that the Soviet Union was opposed to holding a dialogue from a position of strength, but was willing to make use of any realistic chance to hold talks. However, a condition was needed for this: The United States must withdraw its medium-range missiles from Europe.

Why has the Reagan administration, which has consistently maintained a tough line against the Soviet Union, now changed somewhat its attitude toward it? Reagan was perhaps not telling a lie when he said that he hoped there would be some improvement in U.S.-Soviet relations this year. Many Western commentators hold that this is an election year in the United States, and for Reagan, who wants to run again for President, there are favorable conditions in the domestic economic recovery, the great increase in military strength, and the basic unity of the allies on the missiles issue. However, foreign policy is a latent moral weak point for him. Many of the electorate have expressed doubts and dissatisfaction with Reagan's foreign policy, and his opponents in the race will focus their attack on his foreign policy. At the same time, many people in Western Europe are uneasy over the tension in East-West relations, holding that the danger of conflict between the United States and the Soviet Union has increased.

The NEW YORK TIMES said that it was precisely in these circumstances that Reagan was "trying a new strategy," in order to "extricate himself from his politically passive position"; his "choice of a moderate tone toward the Soviet Union" "is obviously a device to change his image and take the offensive against his domestic political opponents and also the Kremlin." A U.S. State Department official said that Reagan's speech was partly aimed at "easing people's fears of an outbreak of war between the Soviet Union and the United States." As Reagan sees it, it will be beneficial for him if there can be some improvement in U.S.-Soviet relations this year, and even if there is not, his "conciliatory" approach would win sympathy from the electorate and the people of Western Europe.

It would probably be a misinterpretation to conclude from Mr. Gromyko's recent words and deeds that the Soviet Union has no intention whatever of easing relations with the United States. Does not Moscow hope for an easing in the situation, so that it can concentrate efforts on solving its domestic political, economic, and social difficulties? Gromyko said in a recent speech, "Detente should not die," and the Soviet Union "has consistently advocated political dialogue between East and West, and it has no intention of refusing dialogue in the future."

There are two views in international opinion circles of Moscow's current attitude: One holds that the Soviet Union does not want to help Reagan in his presidential campaign; in its recent propaganda it has vigorously scolded the various "evil doings" of the Reagan administration in the past 3 years and has used the strongest adjectives to attack Reagan, with the intention of preventing Reagan from serving a second term. One Soviet commentator put it even more plainly, pointing out that "if Reagan is reelected, confrontation between the United States and the Soviet Union will continue for another 4 years." The second view is that Moscow is taking advantage of Reagan's pressing political needs in an election year to put pressure on him and compel him to produce some "merchandise" of compromise for a deal; specifically speaking, the Soviet Union wants the United States to withdraw its medium-range missiles from Western Europe.

What is Washington's attitude? Shultz said that the United States will not make concessions for the sake of resuming the Geneva nuclear talks; the United States is prepared to break the ice, but this requires the efforts of both sides.

It appears that, based on their own requirements, both sides at present want to ease the strain in their relations to some extent, to prevent it from becoming too great. However, judging by the present positions of the two sides, it will not be too easy to achieve this. Even if there is some easing of the strain, it is hard to eliminate the fundamental conflicts of interests between them.

XINHUA COMMENTARY ON USSR, U.S. GUIDED MISSILES

OW251037 Beijing XINHUA Domestic Service in Chinese 1300 GMT 23 Jan 84

[Commentary by XINHUA reporter Wang Chongjie: "The Genie Unleashed From the Bottle" -- XINHUA headline]

[Text] Moscow, 22 Jan (XINHUA) -- The Soviet Union and the United States have unleashed intermediate-range guided missiles more monstrous than the genie unleashed from the bottle in Arabian mythology and are still unleashing them. However, the two superpowers will have difficulty in returning the genie to the bottle.

Presently, the shadow of intermediate-range guided missiles looms over the Soviet Union and the United States, the entire European Continent, the bilateral talks between Soviet Foreign Minister Gromyko and U.S. Secretary of State Shultz in Stockholm, and the "Conference on Confidence- and Security-Building Measures and Disarmament in Europe" in Stockholm. The ministerial level meeting of the Stockholm conference on disarmament in Europe ended on 20 January after 4 days in session. The conference enters into closed-door session from 23 January. How has the contest between the Soviet Union and the United States surrounding intermediate-range guided missiles in Europe been going on? This is a question to which the public is paying a great deal of attention.

Since the Soviet Union walked out of the Geneva talks on the limitation of intermediate-range nuclear forces in Europe on 23 November last year, the United States has repeatedly appealed to the Soviet Union to return to the negotiating table. On the eve of the Stockholm conference, U.S. President Reagan made a special television speech, indicating that, backed by the position of strength, the United States is prepared to conduct "dialogues, as serious and constructive as possible," with the Soviet Union. In his speech at the Stockholm conference and his talks with Soviet Foreign Minister Gromyko, U.S. Secretary of State Shultz time and again urged the Soviet Union to resume the Geneva talks. Meanwhile, the United States has continued to deploy, in addition to the first batch of Pershing II and cruise guided missiles in Western Europe towards the end of last year, more guided missiles in accordance with NATO's plan.

In his reply to the French peace group, "The Appeal of the 100" on 12 January, Soviet leader Andropov reiterated the Soviet stand declared after the walkout from the Geneva talks, stressing once again that the Soviet Union would agree to resume the talks only when Western Europe returns to the situation which existed prior to the start of the deployment of U.S. intermediate-range guided missiles. In his speech at the Stockholm conference and his talks with Shultz, Gromyko emphatically pointed out that the Soviet Union would reopen the talks only after the United States removes the intermediate-range guided missiles from Western Europe. At the same time, Moscow reported several times that the batch of operational tactical guided missiles with a longer range that the Soviet Union had deployed in the GDR and Czechoslovakia has entered the state of war preparedness. The Soviet Union also announced on 24 November last year that it would continue to deploy SS-20 guided missiles in Europe and intermediate-range guided missiles at sea targeted at the continental U.S.

The Geneva talks on the limitation of intermediate-range nuclear forces in Europe, which lasted 2 years, broke down because the Soviet Union refused to comply with the U.S. demand to dismantle the intermediate-range guided missiles which the Soviet Union had already deployed in Europe, while the United States was unwilling to abolish the plan to deploy intermediate-range guided missiles in Europe as demanded by the Soviet Union. Currently there is no sign whatsoever, either in word or action, indicating that the Soviet Union and the United States have changed their stands.

How fair is the possibility of returning the unleashed genie to the bottle? From the once clamorous "Conference on Security and Cooperation in Europe," held in Helsinki in 1975, to the current Stockholm conference, which is held under the shadow of guided missiles, people have witnessed more and more advanced lethal weapons, an atmosphere of intensifying confrontation and horror, and growing danger of war. While the Soviet Union and the United States busy themselves in deploying new weapons which will give the most destructive attack with the greatest precision on the other side within the shortest time, how can they talk about "confidence, security and disarmament?"

The various confidence-building measures recently proposed by the Soviet Union and the United States in Stockholm are intended to give more restriction on the other side. Protracted argument over this question cannot halt the intensifying arms race and confrontation. It seems that the contest between the Soviet Union and the United States surrounding intermediate-range nuclear forces will continue for a long time.

NATO COUNTRIES MAKE SIX-POINT PROPOSAL AT CDE

OW251233 Beijing XINHUA in English 1215 GMT 25 Jan 84

[Text] Stockholm, January 24 (XINHUA) -- The 16 member countries of the North Atlantic Treaty Organization (NATO) today put forward a six-point proposal at the Conference on Disarmament in Europe (CDE) designed to prevent the outbreak of surprise attacks in Europe. The NATO proposal includes: exchanges of information on the structure and location of troops in Europe at the start of each year; exchange of forecasts of planned military manoeuvres; notification to be given 45 days in advance of certain military activities; inviting observers to all pre-notified activities; verification of military manoeuvres and activities; improvement of communication systems among European countries.

The NATO countries said in a statement that the aim of the proposal was to "create greater openness and more predictability in military activities in order to reduce the risk of surprise attack, diminish the threat of armed conflict in Europe resulting from misunderstanding and miscalculation, and inhibit the use of force for the purpose of political intimidation." Warsaw Pact countries have reacted cautiously toward the proposal. Soviet officials said that Moscow would reject some of the suggestions in the proposal, but East German representatives said that they are ready to discuss such measures. Western observers said the NATO proposal appeared in contrast with the earlier Soviet call for nonaggression pacts, a ban on chemical weapons and nuclear free zones at the European Disarmament Conference.

FOREIGN FUNDS USED TO DEVELOP PRC AGRICULTURE

OW221051 Beijing XINHUA in English 0644 GMT 22 Jan 84

[Text] Beijing, January 22 (XINHUA) -- China had used 468 million U.S. dollars of foreign funds by the end of 1983 to develop its agriculture, according to the Ministry of Agriculture, Animal Husbandry and Fishery. The funds were obtained through 81 economic and technical cooperation projects signed with international organizations, monetary institutions or foreign countries. The funds include grain and technical aid and long and medium-term interest-free loans provided by the U.N. Food and Agricultural Organization, the World Grain Program, the U.N. Development Program, the International Agricultural Development Fund, the World Bank, and Australia, Canada, Italy, the Federal Republic of Germany and Japan.

Of the total, grain aid amounted to 166.9 million U.S. dollars or 37.7 percent, and long and medium-term interest-free loans, 265.1 million U.S. dollars, or 56.6 percent. China began using foreign funds for agricultural development in 1979, as part of its efforts to broaden international cooperation while upholding the principle of self-reliance. Of the 81 economic and technical cooperation projects, 38 have been completed and the rest are still going on, ministry officials say.

The projects include a 200,000-hectare reclamation project with loans extended by the World Bank, a project to control soil alkalinity on 200,000 hectares of land in nine counties in Shandong, Hebei and Anhui, and the development of a 40,000-hectare rubber plantation on Hainan Island. Aided by the U.N. Food and Agricultural Organization and Development Program, the Beijing Agricultural Institute imported remote sensing technology and established a center to train technicians and provide services. The center has run 14 training classes. Now five provinces and regions have used the technology to survey soil.

Over the past four years, China has sent more than 300 professionals to other countries for study or training. A number of foreign agricultural experts have been invited to lecture in China. China is only beginning to use foreign funds for agricultural development, ministry officials say. Such cooperation will be expanded on the basis of equality and mutual benefit. The ministry has disclosed that 25 agricultural cooperation projects, involving a total foreign investment of about 367 million U.S. dollars, are being negotiated with other countries.

PRC REPRESENTATIVES PRESENTS CREDENTIALS TO IAEA

OW241957 Beijing XINHUA in English 1855 GMT 24 Jan 84

[Text] Vienna, January 24 (XINHUA) -- First Chinese Resident Representative to the International Atomic Energy Agency (IAEA) Wang Shu presented credentials to Hans Blix, director general of the IAEA, here today. Ambassador Wang Shu said to Blix: "I am greatly honored to be appointed by my government as a resident representative of China to the International Atomic Energy Agency. I would like to assure you that I shall work with you and the representatives from other member states in a joint effort to contribute to the promotion of international cooperation in the peaceful use of nuclear energy."

Blix welcomed China's admission as an official member of the IAEA. On October 11, 1983, the IAEA's general conference approved the admission of China to the agency. China has become the 112th official member of the agency as of January 1 this year.

PRESIDENT REAGAN GIVES STATE OF UNION ADDRESS

OW261646 Beijing XINHUA in English 1631 GMT 26 Jan 84

[Text] Washington, January 25 (XINHUA) -- U.S. President Ronald Reagan declared here tonight his country's four goals in his election-year State of Union Address: ensuring "steady economic growth," developing "next frontier" -- space, strengthening America's "traditional values" and building "a meaningful peace" in the world. The President's speech before a joint session of the House and the Senate made little change of course of his domestic and foreign policies.

With his address under the title -- "America Is Back", President Reagan recalled the economic recovery of the country in the past year and then dwelt on the major controversial issue at the moment -- huge federal deficit, which his aides say will reach 180 billion dollars in the next fiscal year beginning October 1. It was a record 195.4 billion dollars deficit in the fiscal year ending last September 30. "We must bring down the deficits to ensure continued economic growth," Reagan said. However, he shunned any major new taxes and declined to reduce military spending to close the growing deficit against what have been urged by the Democrats as well as many influential Republicans.

The President invited Congress to designate representatives to meet with representatives of the administration to try to reach "prompt agreement on a bipartisan deficit reduction plan." "I know it would take a long and hard struggle to agree on a full-scale plan" to deal with the deficits, the President admitted. The only attractive point of the speech is Reagan's goal for developing America's "next frontier." He announced that the administration has decided to develop a permanently-manned space station and to do it within the next decade.

On strengthening America's "traditional values," the President showed his concern about the deteriorating education and increasing social crimes. He called for promoting excellence in education and said "we must do more to restore discipline to schools; and we must encourage the teaching of new basics, reward teachers of merit, enforce tougher standards, and put parents back in charge." He said that the administration will intensify its drive to crack down on career criminals, organized crime, drug pushers, sexual abuse and family violence. The President also offered his promises on women's rights, fair housing and on some other social issues with an eye on the election.

On the international issues, Reagan claimed that his country's highest aspiration was "a lasting and meaningful peace." Through the restoration of economic growth and military deterrence, "the United States is safer, stronger, and more secure in 1984 than before. We can now move with confidence to seize the opportunities for peace -- and we will," he noted. He called for "bipartisan cooperation" to "strengthen allied relationships across the board," to "achieve real and equitable reductions in the levels of nuclear arms," and to reinforce U.S. efforts "in the Middle East, Central America, and southern Africa."

To alleviate public concerns, both at home and abroad, over the deterioration of the U.S. relations with the Soviet Union, Reagan said the United States wants to "establish a more stable basis for peaceful relations with the Soviet Union." If the Soviet Government wants peace, "there will be peace," he added.

Referring to the issue of U.S. Marines in Lebanon, which has been widely opposed in the country, Reagan insisted that the U.S. Marines have to continue to stay in that country. The President's address is regarded here as a key political document and one of the first salvos he is to fire in the 1984 presidential campaign. It precedes by four days the five-minute speech he will deliver from the Oval Office Sunday night to announce his candidacy for reelection.

REAGAN ACCUSES USSR OF VIOLATING ARMS TREATIES

OW260940 Beijing XINHUA Domestic Service in Chinese 1536 GMT 24 Jan 84

[Text] Beijing, 24 Jan (XINHUA) -- According to Western news agencies, in a classified report presented to Congress on 23 January, U.S. President Reagan accused the USSR of violating the treaty on controlling the development of strategic weapons as well as on the use of chemical and biological weapons. He said: It is almost certain that the USSR has also violated other treaties on arms control. Such a situation "damages the chances for establishing a more constructive U.S.-Soviet relationship."

Reagan said: "The USSR's noncompliance with the treaties is a serious matter. It calls into question important security benefits from arms control and could create new security risks. It undermines the confidence essential to an effective arms control process in the future. It increases doubts about the reliability of the USSR as a negotiating partner." Reagan accused the USSR of violating arms control treaties in seven areas, four related to the provisions of SALT II, the rest to treaties regarding chemical and biological weapons and prior notification of conducting military maneuvers as well as the 1972 antiballistic missile treaty. He said that the United States will "insist upon (Soviet) explanations, clarifications, and corrective actions."

TAIWAN, OTHER FACTORS AFFECT PRC-U.S. TRADE

HK260226 Beijing CHINA DAILY in English 26 Jan 84 p 4

[Article by Yang Shuao, assistant researcher in the Institute of International Trade: "Taiwan: Key Issue in Growth of Sino-U.S. Trade"]

[Text] Economic and trade relations between China and the United States have see-sawed since diplomatic ties were established five years ago. The total value of trade between the two countries from 1979 to 1981 was more than \$18.2 billion, with an average annual increase of 63 percent. The trade figure doubled in 1979 and 1980 to reach nearly \$6 billion in 1981.

Positive measures taken by the two governments at that time contributed much to the rapid growth of trade. A series of agreements were signed, most important of which dealt with trade and granted "most favoured nation" status to each other. However, in 1982, trade began to drop. It is estimated that the trade value for 1983 will return to the level of 1979, when the two countries established diplomatic links. Many factors have led to the decline. But the chief cause is Washington's mistaken policy towards Taiwan, which has affected its political relations with China.

In addition, American restrictions on the import of Chinese goods, particularly Chinese textiles, have directly affected the expansion of Sino-U.S. trade.

Increased trade between China and the United States benefits both countries. For instance, between 1979 and 1981, China imported 30 million tons of grain, 1.7 million tons of soya bean and over a million tons of cotton from the United States. For many years, China was the chief buyer of U.S. wheat, helping to reduce the grain surplus in the United States. During the same period, China imported nearly 580,000 tons of American chemical fibres, 480,000 tons of pulp and 2.47 million cubic metres of timber.

In the past 10 years, the United States has had a favourable trade balance of more than \$11 billion with China. In my view, this has helped to reduce the U.S. trade deficit and increased job opportunities there. Likewise, China will benefit by increased Sino-U.S. trade. The import of American equipment for industry will help to speed up our modernization.

There is a wide range of economic and trade cooperation between China and the United States. The emphasis of China's economic development is on agriculture, transportation, energy, mining, building materials and the metallurgical industries. China has rich mineral resources and the United States has the advanced technology to exploit them. So, there is a bright future for Sino-U.S. cooperation in these fields.

For example, China and American corporations have signed agreements to jointly exploit a large coal mine in Shanxi Province, an open coal mine in Fushun and three nonferrous projects. The two countries can also cooperate in tapping our rich oil reserves. There are now 11 U.S. oil companies taking part in the search for China's offshore oil. Meanwhile, China plans to overhaul and update thousands of enterprises, and the United States can help in this field, too. The rapid development of China's tourism, agriculture and the food processing industry offers great potential for Sino-U.S. cooperation. There are extensive areas for future cooperation so long as both countries are sincere.

Now that China's political situation is stable, its economy has developed rapidly and its foreign exchange reserve is sufficient. The Chinese Government is continuously improving the laws governing the economy. It is firmly carrying out the policy of opening to the outside world and, at the same time, implementing flexible economic policies, thus creating good conditions for foreign investment.

China has introduced about 50 laws in the past year alone to improve its economic system. In 1979, China created a law on joint ventures using Chinese and foreign investment, and in 1983, regulations for joint ventures were introduced. Foreign investment in China is now guaranteed by law. Another law is being prepared to protect foreign patents. China has signed agreements with the United States concerning banks, investment insurance and guarantees. Therefore, U.S. investors can insure their investments at home or in China without risking any economic losses.

DPRK REITERATES NEED FOR TRIPARTITE TALKS

OW261058 Beijing XINHUA in English 1030 GMT 26 Jan 84

[Text] Pyongyang, January 25 (XINHUA) -- The Democratic People's Republic of Korea (DPRK) reiterated today the necessity to hold talks with both the United States and the South Korean authorities for providing a guarantee for peace in Korea and promoting the independent and peaceful reunification of the country. The proposal for tripartite talks was elaborated here at the third session of the 7th Supreme People's Assembly of the Democratic People's Republic of Korea in a report by Ho Tam, member of the Political Bureau and secretary of the Central Committee of the Workers' Party and chairman of the Committee for the Peaceful Reunification of the Fatherland.

Ho Tam said that the proposal for tripartite talks demonstrates once again the consistent peace-loving stand of the DPRK Government for peace in Korea and the country's independent and peaceful reunification; therefore, the proposal is a new and important initiative in solving the Korean question in a peaceful way. After reviewing the developments in Korea, Ho Tam noted that to remove the acute tension on the Korean peninsula and solve the Korean question peacefully, it is necessary to find a way for a peaceful solution of the question through dialogue instead of further worsening the situation in pursuit of military confrontation.

He said that the just stand of the DPRK Government on solving the Korean question through dialogue and negotiation will be certainly materialized and if the United States and the South Korean authorities are sincere in the solution of the question they cannot help coming to talks. Referring to the view of having "other countries besides the United States" in the talks to solve the Korean question, Ho Tam said, "The United States still remains the sole outside force directly responsible for the mounting tension and the danger of war created in our country. Against this background, we wonder which country would come and sit together with the United States at the talks for the settlement of the Korean question."

Ho Tam appealed to all parliaments, governments, political parties and organizations and people from all walks of life in the world to support the DPRK proposal for a peaceful solution of the Korean question. President Kim Il-song and other party and government leaders Kim Chong-il, O Chin-u, Pak Song-chol, Yim Chun-chu and Yi Chong-ok were present at today's session.

DPRK TO PROMOTE FOREIGN ECONOMIC RELATIONS

OW270712 Beijing XINHUA in English 0649 GMT 27 Jan 84

[Text] Pyongyang, January 26 (XINHUA) -- The Democratic People's Republic of Korea decided today to promote its economic relations with foreign countries to raise the living standard of the Korean people.

A resolution at the third session of the seventh Supreme People's Assembly today gave preeminence to South-South cooperation, including bilateral, regional and inter-regional relations, and attached special importance to Korea's economic and technological cooperation with the Southeast Asian countries.

The resolution said Korea will pursue a policy of trade diversification while continuing to develop its trade with the socialist countries. It called for a substantial increase in Korea's trade volume with the socialist countries, and said that Korea will also develop economic relations with "capitalist countries" that "respect Korea's right to self-determination."

The DPRK will set up export processing zones and build up export-oriented factories, according to the resolution.

Finance Minister Yun Ki-chong announced at the meeting that the country's 1983 revenue reached 24.3836 billion won, a 7.5 percent increase over that of 1982. Expenditure during the same period increased by 8.2 percent to reach 24.0186 billion won. She said for the year of 1984 both the revenue and expenditure will be 26.2367 billion won and major investments will be in the energy and metal sectors.

JI PENGFEI ANSWERS QUESTIONS ON HONG KONG ISSUE

OW270421 Beijing in English to North America 0000 GMT 26 Jan 84

[Text] The Sino-British talks on Hong Kong are continuing on Wednesday and Thursday in Beijing. As the talks progress, many people wonder how China will maintain Hong Kong's stability and prosperity once it regains sovereignty over the area. A reporter from the weekly OUTLOOK [LIAOWANG] recently discussed this question with State Councilor Ji Pengfei, the director of the Office of Hong Kong and Macao Affairs. In part of that interview, (Fang Lian) is reading the questions and (Zhang Guohua) reading the answers:

[Fang] The second stage of the Sino-British talks on the question of Hong Kong has lasted more than half a year. How do you evaluate the talks and what are the prospects?

[Zhang] Both parties agreed that the contents of the talks should not be made public unilaterally. Up till now, a certain measure of progress has been achieved. It is my personal hope that with the joint Sino-British effort, an agreement can be reached as soon as possible.

[Fang] What is China's stand regarding Hong Kong?

[Zhang] The Hong Kong area including Hong Kong Island, Kowloon and the New Territories has been Chinese territory since ancient times. It was forcibly separated from China and leased to Britain through three unequal treaties signed in 1842, 1860 and 1898 between Britain and the Qing government. After the founding of the People's Republic of China, we repeatedly and solemnly declared that our principled stand on the restoration of our sovereignty over the Hong Kong area was firm and unshakeable and that when conditions were ripe we would hold talks with Britain to solve the question left over by history. The conditions are ripe now. The Chinese Government's policy is to restore sovereignty over the area in 1997 and to adopt measures to maintain Hong Kong's stability and prosperity.

[Fang] What are the main measures for maintaining this stability and prosperity?

[Zhang] Briefly, after regaining sovereignty over Hong Kong and according to Article 31 of the Constitution of the People's Republic of China, Hong Kong will be special administrative region administered by Hong Kong people themselves and enjoying a high degree of autonomy.

[Fang] What will be the main features of the special administrative region, and what does a high degree of autonomy include?

[Zhang] The current social and economic system in Hong Kong will remain unchanged. Its life-style will also remain unchanged and it will enjoy a high degree of autonomy. For instance, the special administrative region will have legislative power and independent judiciary and power for making final judgment. Except for legal articles that are colonial in character and harmful to China's sovereignty, current Hong Kong law will remain basically unchanged. The financial system of the special administrative zone will also be independent. And Hong Kong's free economic policy will continue. Its position as a free port, world banking center and trade center will remain unchanged. The foreign exchange market, the stock market and the gold market will remain open. Hong Kong currency will continue to circulate and be exchanged freely. Hong Kong will remain an independent tariff area. British and other foreign economic interests in Hong Kong will be legally protected.

In the future, Hong Kong's defense and diplomacy will be in the hands of the Chinese people's central government. For special reasons, it can still retain certain power in foreign affairs. It can maintain and develop economic and cultural relations and sign agreements with countries, territories and international organizations all over the world. The special region can also sign and issue travel documents for entering and leaving Hong Kong.

[Fang] In the future, will officials of the special region be sent from the central government or will they be coming from people living in Hong Kong?

[Zhang] In the future, official posts in the Hong Kong special zone will be taken up by local people, not by people sent from inland. Senior officials will emerge through consultation or election among the local people and be appointed by the Chinese people's central government. And foreign nationals can be invited to work in public and private organizations in Hong Kong.

BANK OF CHINA PROMOTES HONG KONG'S PROSPERITY

HK270250 Beijing CHINA DAILY in English 27 Jan 84 p 2

[Report by staff reporter Qin Xiaoli]

[Excerpt] The Bank of China hopes to play an important role in promoting Hong Kong's prosperity, Bu Ming, the bank's chairman, announced this week. He said the Bank of China Group, composed of 14 banks and a company in Hong Kong and Macao and headed by the Bank of China Hong Kong Branch, had become an active financial power in the region. The group now has about 261 branches and offices in Hong Kong and Macao, second only to the Hong Kong & Shanghai Banking Corporation Limited.

A spokesman said the Bank of China Group had expanded industrial loan in Hong Kong and Macao last year and would continue to do as the Hong Kong economy improves. The Bank of China Hong Kong Branch also holds shares in the China Development Financial (HK) Limited, CCIC Finance Limited, Kiu Kwong Investment Corporation Limited, Trilease International Company, China Cement Company (Hong Kong) Limited, and Kincheng-Tokyo Finance Company Limited. The spokesman said the Bank of China now has 26 branches and offices with about 1,300 employees in Hong Kong, Britain, the United States, Singapore, Luxembourg, France and Japan.

FRIENDSHIP ASSOCIATION GROUP VISITS THAILAND

Received by Prime Minister

OW251903 Beijing XINHUA in English 1455 GMT 25 Jan 84

[Text] Bangkok, January 25 (XINHUA) -- Thai Prime Minister Prem Tinsulanon this afternoon received a visiting delegation from the Chinese People's Association for Friendship With Foreign Countries led by its vice president Lu Cui. The prime minister praised the close friendship between the two countries and expressed the hope that it would develop further. The delegation arrived here on January 20 at the invitation of the Thailand-China Friendship Association.

Present on the occasion were also artists of the Chao Zhou opera troupe of Guangdong Province, here on a performance tour of the country. The prime minister wished them every success on their tour. The troupe met with warm praise after its first performance on January 24. It is scheduled to hold 27 performances in all. The troupe has made two previous tours of Thailand during the current tour; it will perform more than 10 Chinese traditional programmes.

Meeting With Foreign Minister

OW270836 Beijing XINHUA in English 0818 GMT 27 Jan 84

[Text] Bangkok, January 27 (XINHUA) -- Thai Foreign Minister Sitthi Sawetsila met here this morning with the visiting delegation of the Chinese People's Association for Friendship With Foreign Countries led by its vice-president Lu Cui. Paying a high tribute to the friendship between the Thai and Chinese peoples, Sitthi Sawetsila said that their traditional relationship has been developing in recent years thanks to the common efforts of both sides. He expressed the hope to work jointly for closer friendship between the two countries. The Speaker of the Thai Senate, Charubutr Ruangsawan, had a cordial conversation yesterday with the Chinese delegation. The delegation will end its two-week visit to Thailand on February 4.

AUSTRALIAN ENVOY HOSTS RECEPTION IN BEIJING

OW260800 Beijing XINHUA in English 0743 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Australian Ambassador to China Hugh Alexander Dunn gave a reception here today in celebration of Australia Day. Among the guests were Tang Ke, Chinese minister of petroleum industry, and Han Xu, vice-minister of foreign affairs.

SHANGHAI SHIPS DELIVERED TO SINGAPORE

OW211818 Beijing XINHUA in English 1642 GMT 21 Jan 84

[Text] Shanghai, January 21 (XINHUA) -- Two multipurpose ships built by the Shanghai Hudong Shipyard were delivered today to the Sentinel Ltd. of Singapore. The Shanghai and the Sydney -- 60 meters long and 13 meters wide -- can tow oil drilling rigs and help them weigh anchor, a shipyard spokesman said. The Shanghai left here today for Hong Kong to aid oil exploration in the South China Sea. The 1,200-ton ships can also supply rigs with production equipment and materials, take part in salvage operations and control fires at sea, the spokesman said. Both have hydraulic and satellite navigation equipment and unmanned engine rooms, he added. The Hudong Shipyard has accepted orders from the Singapore company to build nine multi-purpose ships. The other seven are expected to be handed over in the first half of 1984.

BANGLADESH AIR FORCE CHIEF CONTINUES VISIT

Meets With Zhang Aiping

OW251323 Beijing XINHUA in English 1308 GMT 25 Jan 84

[Text] Beijing, January 25 (XINHUA) -- Zhang Aiping, state councillor and minister of national defense, exchanged views with Bangladesh Air Vice-Marshal Sultan Mahmood on developing the friendly ties between the Chinese and Bangladesh armed forces and international issues of common interest while they met here this afternoon. This morning Mahmood, Bangladesh deputy chief marshal law administrator and chief of the air staff, together with his party, visited an anti-aircraft unit under the Air Force of the Chinese People's Liberation Army. The guests also had talks with Mo Wenxiang, minister of aviation industry, and Sun Daguang, minister of geology and mineral resources, on separate occasions this afternoon.

Visits Air Base

OW262038 Beijing XINHUA in English 1522 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Air Vice-Marshal Sultan Mahmood, Bangladesh deputy chief marshal law administrator and chief of the air staff, and his party today visited an aviation school of the Chinese Air Force at Shijiazhuang and an Air Force base near Tianjin. Accompanied by Commander Zhang Tingfa of the Chinese Air Force, the guests looked round the school's facilities. Most of the education instruments were simple and practical and made by the teachers themselves. Mahmood said he was impressed by the school's progress.

At the air base the Bangladesh guests saw a nine-aircraft display with dives, combat turns and group separation bursts. They praised the Chinese pilots for their skill and coordination. Mahmood also got inside an aircraft to acquaint himself with its characteristics. Earlier today Mahmood and his group presented a wreath at the Monument to the People's Heroes in Beijing and paid their respects to the remains of the late Chairman Mao in the Memorial Hall. This evening Bangladesh Ambassador to China C.M. Murshed gave a reception to mark the visit of the Bangladesh Air Force leader. Zhang Tingfa attended.

LI, ZHAO SEND GREETINGS ON INDIA'S REPUBLIC DAY

BK260952 Beijing in Hindi to India 1500 GMT 25 Jan 84

[Text] The Chinese head of state, Li Xiannian, and the Premier of the State Council, Zhao Ziyang, today separately sent messages of felicitation to the Indian president, Giani Zail Singh, and the prime minister, Mrs Indira Gandhi, on occasion of the Republic Day of India. The Chinese head of state in his message said it is his sincere wish that the Indian Republic should become prosperous and the great Indian people make new strides in the task of national reconstruction. He hoped that the friendship between the Chinese and Indian peoples would continue to strengthen and develop.

Zhao Ziyang in his message said he sincerely hopes that the improvement and development of Sino-Indian relations will be further prompted during the new year.

INDIAN ENVOY HOSTS REPUBLIC DAY RECEPTION

OW261210 Beijing XINHUA in English 1159 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Indian Ambassador to China A.P. Venkateswaran and Mrs. Venkateswaran gave a reception at the embassy here this afternoon to mark the Republic Day of India. Among the guests at the reception were Cui Yueli, Chinese minister of public health, Gong Dafei, vice-minister of foreign affairs, and leading members of other government departments, the Chinese People's Association for Friendship With Foreign Countries and the Buddhist Association of China.

NEPAL'S KING MEETS PRC SOCIAL SCIENCE DELEGATION

OW251908 Beijing XINHUA in English 1443 GMT 25 Jan 84

[Text] Katmandu, January 25 (XINHUA) -- Nepalese King Birendra Bir Bikram Shah Dev received Ma Hong, head of the visiting delegation from the Chinese Academy of Social Sciences at the royal residence in Surkhet today. The king, currently on an inspection tour in Surkhet, some 600 kilometers to the west of Katmandu, said that Nepal and China have always been good neighbors and have been able to maintain good relations through sincere and frank exchanges of views. He also paid high tribute to China's help in developing Nepal's economy and China's support of Nepal's peace-zone proposal. Also present on the occasion was Chinese Ambassador to Nepal Tu Guowei. The Chinese delegation is scheduled to leave for home on January 27.

PRC YOUTH LEAVE FOR PAKISTAN, INDIA, THAILAND

OW260912 Beijing XINHUA in English 0906 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- A Chinese youth delegation led by Hu Jintao, chairman of the All-China Youth Federation, left here today for friendship visits to Pakistan, India and Thailand.

FESTIVITIES MARK ANNIVERSARY OF PRC-FRANCE TIES

Li Xiannian Hosts Banquet

OW261808 Beijing XINHUA in English 1511 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) --President Li Xiannian hosted a banquet here this evening to celebrate the 20th anniversary of the establishment of diplomatic relations between China and France. Vice-Chairman Geng Biao of the National People's Congress Standing Committee attended.

Among the guests were French Government representatives Louis Mexandeau, minister-delegate in charge of posts and telecommunications in the Ministry of Industry and Research, and Roger Gerard Schwartzberg, secretary of state for education, as well as the delegation from the Foreign Affairs Committee of the French National Assembly led by its President Claude Estier.

Li Xiannian said in his speech that China and France share many points in common. "Both countries follow an independent policy, listening to no orders from others. Both hold that international affairs can be solved only through consultations on an equal footing. For the past two decades Sino-French relations have been growing steadily in spite of winds and storms, crises and conflicts in the world and their internal changes," he noted. The 20th anniversary of Sino-French diplomatic ties should be a new starting point for the development of bilateral relations, Li Xiannian said. He hoped that all those who love and are dedicated to Sino-French friendship would continue to make contributions. "We believe that the steady growth of Sino-French relations is of great significance. Only in view of the grave world situation, it can not only benefit the people of the two countries but also help alleviate the international tension in the interest of peace and stability in the world," he said.

Li Xiannian also said he accepted with pleasure the invitation from President Francois Mitterrand to visit France which was extended in a recent letter. He hoped he would make the visit in not too distant future.

Mexandeau said in his speech that the French and Chinese peoples each have an ancient civilization. They have long understood and respected each other, and their friendship is spontaneous. "Although they have different social systems, France and China are seeking the same objectives," he noted. "They both daringly assert their resolve to be self-reliant and demand their unique and respected voice be heard in world affairs." In the present turbulent international situation, Mexandeau said, the principles of national independence, people's self-determination and respect for a country's sovereignty and territorial integrity must be observed. "We shall never accept power politics. Any order established on the strength of aggression and domination cannot last long, be it in the Mideast, Africa, Latin America or Asia. Every country has the right to live freely, keep its own destiny and decide on the conditions necessary for security. Both our countries are working to ease world tension and often stand together to defend the above principles," he added.

Also present at the banquet were Chinese Minister of Education He Dongchang, Vice-Foreign Minister Yao Guang, and former Chinese ambassadors to France Huang Zhen, Zhang Tao and Han Kehua. French Ambassador to China Charles Malo was also present.

French Amity Body's Reception

OW262108 Beijing XINHUA in English 1624 GMT 26 Jan 84

[Text] Paris, January 25 (XINHUA) -- The France-China Friendship Society held a meeting and a reception at the Luxembourg Palace here today to celebrate the 20th anniversary of the establishment of diplomatic relations between the two countries. Par Laucournet, president of the France-China Friendship Group of the Senate, presided over the reception. President of the Senate Alain Poher and Vice President of the National Assembly Guy Ducolone took part in the celebrations. Members of the honorary presidium of the France-China Friendship Society Mme Irene de Lipkowski, Mme Bruhnes-Delamarre, Regis Bergeron, Jacques Jurquet, Monge and Saint-Marie were also present.

Recalling the historical event of establishing diplomatic relations between France and China, Etienne Manach, former French ambassador to China and honorary president of the French-Chinese Friendship Society said at the meeting that the establishment of diplomatic relations between the two countries in 1964 was an imperative sign of reason which is acceptable to all big powers. This initiative, he continued played a decisive role in the later development of the situation. China resumed relations with the United States in 1972 and dozens more countries have established diplomatic relations with China since 1974. The world has become more balanced with China's entry into the international community.

In his speech, Chinese Ambassador to France Cao Keqiang spoke highly of the historic significance of Sino-French diplomatic relations. He said that in the past 20 years, despite drastic changes in the international situation, friendly relations and cooperation between the two countries have developed steadily due to the joint efforts by both governments, and the exchange of visits by leaders of the two states also played a great role in promoting the relations.

China and France share identical or similar views on the principal issues in the world today; there are no conflicts of fundamental interests between them and both desire to further develop their friendly relations, he stressed. He said it was encouraging that the technoeconomic and commercial cooperation between the two countries have made new strides.

The Chinese ambassador expressed his sincere gratitude to French friends who have worked for the development of Sino-French friendship, especially to those of the society

EDUCATION MINISTER MEETS FRENCH OFFICIAL

OW261240 Beijing XINHUA in English 1232 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Chinese Minister of Education He Dongchang met with Roger-Gerard Schwartzberg, state secretary of the French education minister, here this morning. Both expressed satisfaction with the exchanges of students and teachers and cooperation in education between China and France in recent years. They also talked about future cooperation. Present were Claude Martin, minister-counsellor of the French Embassy to China and Andre Michel, cultural, scientific and technical counsellor of the embassy. Schwartzberg arrived in Beijing this morning as representative of the French Government for celebrations of the 20th anniversary of the establishment of Sino-French diplomatic relations.

SINO-FRENCH EDUCATIONAL EXCHANGES DEVELOP

OW270840 Beijing XINHUA in English 0809 GMT 27 Jan 84

[Text] Beijing, January 27 (XINHUA) -- The exchange of students between China and France will reach a record high this year, an official of the Chinese Education Ministry said here today, the 20th anniversary of the establishment of Sino-French diplomatic relations. China sent 251 students to Paris and received 59 from France last year, the official said in an interview with XINHUA. Though both were the highest over the years, this year's figures will be even higher, he added.

A total of more than 1,200 Chinese students have gone to France since November 1964, when the first group of 105 Chinese students arrived in Paris. More than 600 are now in France, most of them studying science. The Sino-French educational exchanges came to a halt during the "Cultural Revolution." Over 340 French students have come to China since the exchange program resumed in 1973. There are now 58 French students majoring in Chinese history, literature, language, traditional medicine and other subjects in universities and colleges in China.

Since 1976, France has sent 221 teachers to China, 56 of whom are still working in Chinese colleges. Another 90 have made short lecture tours of China. China has sent 37 teachers to France and will send seven more this year.

Under a joint cultural commission set up by the Chinese and French Governments in 1980, regular ties have been established between 24 colleges in China and 37 in France. Thirty cooperation and exchange agreements have been signed so far, including one between the French Ministry for External Relations and Wuhan University in central China in 1980. The French side has since invested two million francs in the project, provided student scholarships, and offered refresher courses in France for teachers from Wuhan University.

The French also donated a computer, optical physics equipment, a 24-seat language laboratory and more than 2,000 books to the Chinese university.

A dozen French teachers have gone to Wuhan each year since 1980. The university's French language speciality was expanded into a department.

LI XIANNIAN MEETS FRENCH GOVERNMENT REPRESENTATIVES

OW261450 Beijing XINHUA in English 1430 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Chinese President Li Xiannian met here this evening with French Government representatives Louis Mexandeau, minister-delegate for posts and telecommunications in the Ministry of Industry and Research, and Roger-Gerard Schwartzberg, secretary of state for education. In a friendly conversation, the Chinese president expressed his appreciation of France's independence in foreign affairs. He said, "There is no conflict of fundamental interest between China and France. Both countries should work for the steady development of friendly relations."

Mexandeau said that France hopes to see new content to be added to Franco-Chinese relations every day, every month, every year.

He handed over to President Li a letter from French President Francois Mitterrand.

Present at the meeting were Geng Biao, vice-chairman of the Standing Committee of the National People's Congress, Yao Guan, vice-foreign minister; and Charles Malo, French ambassador to China.

Mexandeau and Schwartzenberg flew into Beijing this morning to attend the celebrations of the 20th anniversary of the establishment of diplomatic relations between China and France.

LI XIANNIAN MEETS WITH FRENCH ASSEMBLYMAN

OW262045 Beijing XINHUA in English 1440 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Chinese President Li Xiannian extended his welcome here this evening to Claude Estier, president of the Foreign Affairs Committee of the French National Assembly, who was attending the celebrations of the 20th anniversary of the establishment of Sino-French diplomatic relations.

After briefing Estier on China's foreign policy, Li said that China needed a peaceful international environment to carry on its modernization drive and improve living standards.

Estier spoke highly of China's large-scale construction and said he would continue to work for Franco-Chinese friendship.

Present at the meeting were Geng Biao, vice chairman of the National People's Congress Standing Committee; Yao Guang, vice-foreign minister; Cai Zemin, vice-president of the Chinese People's Institute of Foreign Affairs; and Charles Malo, French ambassador to China.

CHINESE, FRENCH LEGISLATORS CONFER IN BEIJING

OW260902 Beijing XINHUA in English 0849 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Chinese and French legislators today agreed to work together for closer relations between the two countries, world peace and human progress. The conferees representing the Chinese National People's Congress were Huan Xiang, Fu Hao, Zeng Tao and Wu Maosun, vice-chairmen of the N.P.C. Foreign Affairs Committee.

The French group was led by Claude Estier, president of the Foreign Affairs Committee of the French National Assembly and chairman of its delegation.

Sources close to the talks said that during the 3-hour parley they ranged over international issues of common concern. The two sides agreed that the Foreign Affairs Committees of the Chinese and French parliaments should promote cooperation and frequently exchange views on major international issues so as to enhance friendly relations between the two parliaments, governments and peoples, safeguard world peace and advance the progress of humanity.

On the Kampuchean issue, both sides agreed that the withdrawal of Vietnamese troops from Kampuchea is a prerequisite for solving the Kampuchean question. All countries concerned should exert pressure on Vietnam so that it would realize that it would come to no good end if it attempts to perpetuate its occupation of Kampuchea, and would thus act according to the United Nations resolutions.

On East-West relations, both sides hoped that the United States and the Soviet Union would resume their dialogues and ease their relations. This would help relax the international situation as a whole.

Claude Estier invited the N.P.C. Foreign Affairs Committee to send a delegation to visit France next year. On behalf of the committee, Huan Xiang accepted the invitation with pleasure. The date will be set through diplomatic channels.

PRC OFFICIAL URGES IMPROVED SINO-FRENCH TRADE

OW241045 Hong Kong AFP in English 0901 GMT 24 Jan 84

[Text] Hong Kong, Jan 24 (AFP) -- A top Chinese trade official has urged France to lift its import quotas, expand the range of the generalized system of preference (GSP) for Chinese exports and "clear away obstacles to Sino-French trade." Sun Hanchao, deputy director of Beijing's Institute of International Trade, made the appeal in a review of Sino-French trade development on the 20th anniversary of the establishment of diplomatic ties between the two countries in 1964. The GSP is a scheme under which a developed country gives favourable treatment to a developing nation by reducing its import duties on the latter's exports.

In the review published in the latest issue of the magazine INTERTRADE, Mr Sun said: "We would greatly appreciate if France would lift the import quota, expand the range of GSP, and help solve problems in credit and loans to clear away obstacles to Sino-French trade and create more favourable conditions for the expansion of China's exports to France."

The key to further development of Sino-French trade "lies in expansion of Sino-French technological cooperation in areas such as nuclear power plants, telecommunication, agriculture and technical transformation of factories," he said.

Nearly 400,000 medium and small-sized Chinese factories and enterprises need to upgrade their efficiency and technical standard and French cooperation could help, said Jia Shi, Chinese vice minister of foreign economic relations and trade, in the same issue of the magazine.

The annual volume of Sino-French trade, which averaged 110 million U.S. dollars in the 1960's, rose to 370 million dollars in the 1970's and 680 million dollars in 1981 or six times that of 1964, the year diplomatic ties were established, Mr Sun said. In 1982, the volume totalled a record 700 million dollars and in the first nine months of 1983, it totalled 688 million dollars, a 103.5 per cent rise over the same period in 1982, he said. In January-September, 1983 French exports to China reached 516 million dollars, a 268.6 percent rise over the same period in 1982 but French imports from China stood at 172 million dollars, down 13.1 per cent, Mr Sun said.

According to French statistics, Chinese exports to France account for only 0.3 per cent of France's total imports and China's imports from France represent only 3 percent of France's total exports, he said.

In addition to a three-year grain agreement signed by Chinese Trade Minister Chen Muhua in France last April negotiations are well under way on more than 30 projects in the fields of food, packaging, textile, pharmaceuticals construction, the lumbering and non-ferrous metal industries, Mr Sun noted.

"As long as French exports remain competitive, there are bright prospects for further expansion of economic cooperation between China and France."

PRC, POLAND SIGN EXCHANGE, PAYMENTS AGREEMENT

OW260908 Beijing XINHUA in English 0855 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- An agreement on goods exchanges and payments for 1984 was signed here this morning by the Chinese and Polish Governments. Under the new agreement, the two countries will increase their trade volume compared with last year. China will export rice, tea, rapeseed, frozen pork, cotton cloth, tungsten ore, knitwear and other light industrial consumer goods. It will import rolled steel, minibuses, machine tools, chemical-fiber cloth, soda ash, sulphur and other chemical and industrial products, as well as mechanized coal mining equipment.

Chen Jie, deputy to the minister of foreign economic relations and trade, and Wladyslaw Gwiazda, leader of a Polish Government trade delegation and vice minister of foreign trade, signed the agreement on behalf of their respective governments.

Zheng Tuobin, vice-minister of foreign economic relations and trade, attend the signing ceremony and met the delegation before the signing ceremony. During the meeting, the two sides exchanged views on the further development of economic relations and trade between China and Poland. Polish Ambassador to China Wladyslaw Wojtasik was also present on both occasions.

POLISH GOVERNMENT TO RAISE FOOD PRICES

OW180937 Beijing XINHUA in English 0656 GMT 18 Jan 84

[Text] Warsaw, January 17 (XINHUA) -- The Council of Ministers of Poland decided yesterday that food prices in the country will increase by an average of less than 10 percent starting from January 30. The increases, which will push up the retail prices of bread, butter and meat, were worked out after consultations with the public and the national trade unions. Government Spokesman Jerzy Urban said the price hikes will raise the cost of living by 3.5 percent. To lighten the effect caused by the price increase, the government has decided to grant subsidies to low-income families and pensioners. Retired workers and nursing mothers will be given priority in their job search. The food price increases were proposed last November. But Urban disclosed that the Council of Ministers yesterday made minor alterations to it, holding down the proposed 10 to 15 percent increase to 10 percent and raising subsidies to the public.

GDR ISSUES APPEAL ON EUROMISSILES, FRG TIES

OW220849 Beijing XINHUA in English 0756 GMT 22 Jan 84

[Text] Berlin, January 21 (XINHUA) -- The German Democratic Republic (GDR) has renewed its appeal for realizing the Warsaw Pact's proposals concerning the Euromissiles and for improving its relations with the Federal Republic of Germany (FRG). The appeal, published by the local papers today, was made by the Central Committee of the Socialist Unity Party of Germany, the State Council, the Government and the National Front Council of the GDR in connection with the 35th anniversary of the founding of the republic which falls on October 7 this year. The appeal said GDR, as an outpost of peace in Europe, maintains that the process of deployment of the U.S. medium-range nuclear missiles in Western Europe should be stopped forthwith and the missiles already installed should be dismantled as was proposed by the Soviet Union and other Warsaw Pact member countries in the Prague declaration and the Moscow statement. It said a set of constructive measures to be taken in line with the principles of the balance of power and common security between the East and West is indispensable for restricting and reducing armaments. It called on the Warsaw Pact and NATO to sign an agreement on mutual non-use of force for the sake of maintaining the peaceful relations between them. It also expressed wishes to maintain and further improve its relations with FRG on the basis of a series of treaties on Europe. Expressing dissatisfaction with FRG's agreement on the deployment of the U.S. missiles on its territory, the appeal said the GDR will do its utmost to prevent the grave consequences arising from such actions of the FRG.

NPC DELEGATION CONCLUDES VISIT TO EGYPT

Meets Foreign Minister

OW250837 Beijing XINHUA Domestic Service in Chinese 0917 GMT 24 Jan 84

[Text] Cairo, 23 Jan (XINHUA) -- Egyptian Deputy Prime Minister and Foreign Minister Hasan 'Ali met with visiting Chinese NPC delegation led by Wang Renzhong, vice chairman of the NPC Standing Committee, at noon today. He said: "The decision adopted by the Islamic Summit Conference on the reinstatement of Egypt in the Islamic Conference Organization marks a victory for Egypt's foreign policy." 'Ali said: "Egypt has already expressed its own stand on the decision adopted by the Islamic Summit Conference that it will not accept any condition. It has its own principle which is based on its own national character." Dwelling on the forthcoming visit of the delegation composed of Guinean President Sekou Toure and others to Cairo to discuss issues relating to the reinstatement of Egypt in the Islamic Conference Organization, he said: "We expect the delegation's arrival in Cairo before the end of the month."

Returns From Mideast Visit

OW251224 Beijing XINHUA in English 1159 GMT 25 Jan 84

[Text] Beijing, January 25 (XINHUA) -- A delegation from the Chinese National People's Congress headed by vice-chairman of its Standing Committee Wang Renzhong returned here this afternoon at the end of its visits to Iraq, Kuwait, Jordan and Egypt. Wang Renzhong told the ambassadors of the four Arab countries at a lounge at the airport that the delegation was accorded warm receptions by the governments and peoples of the four countries. He extended his sincere thanks for the leaders and peoples of these countries. He described the visits as very successful. Greeting them at the airport were Huang Hua, vice-chairman of the NPC Standing Committee, and Wen Yezhan, vice-minister of foreign affairs.

Wang Renzhong Assesses Trip

OW261942 Beijing XINHUA in English 1504 GMT 26 Jan 84

[Text] Beijing, January 26 (XINHUA) -- Wang Renzhong, vice-chairman of the National People's Congress Standing Committee, told XINHUA today that he had agreed with the leaders of the four Arab countries he visited recently that the unity of the Palestinian people was the key to the liberation of Palestine. They also agreed that the unity of the Arab people was a guarantee of the ending of Israeli aggression and the maintenance of enduring peace in the Middle East, Wang Renzhong said. The delegation of the National People's Congress led by Wang Renzhong returned here yesterday afternoon after visits to Iraq, Kuwait, Jordan and Egypt for nearly a month.

In an interview with XINHUA at his home this morning, Wang Renzhong said that during his talks with leaders of the four countries they all held that disunity among Palestinians and among the Arab countries would only sadden their own peoples and gladden their enemies. Wang added that leaders of these countries knew that the struggle of the Arab countries against Israeli aggression and expansion might be protracted, but they were confident that they would win the final victory.

Speaking of relations between China and Arab countries, Wang said that the leaders of the four Arab countries trusted China fully. China has never interfered in the internal affairs of other countries and consistently supports the liberation of the Arab nation. It suits its actions to its words. The leaders strongly desired to promote relations with China, Wang said. He appreciated the four countries' efforts to pursue a policy of independence, self-determination and non-alignment. He also spoke highly of the achievements made by these countries in building up their countries and improving living standards. In conclusion Wang Renzhong said that the visit of his delegation to these countries was a complete success. The visits helped increase mutual understanding and friendship between the National People's Congress of China and parliaments of the four Arab countries.

ZHENG TUOBIN MEETS MAURITIAN GOVERNMENT DELEGATION

OW121309 Beijing XINHUA in English 1250 GMT 12 Jan 84

[Text] Beijing, January 12 (XINHUA) -- Zheng Tuobin, first vice-minister of foreign economic relations and trade, held talks here this evening with a Mauritian Government trade delegation led by Abdool K. A. Bhayat, minister of commerce and shipping. They exchanged views on ways of expanding trade between the two countries. Zheng Tuobin later hosted a dinner in honor of the Mauritian guests, who arrived here this afternoon. The delegation will end its China visit on Saturday.

SHAMIR GOVERNMENT FACING ECONOMIC COLLAPSE

HK190841 Beijing RENMIN RIBAO in Chinese 18 Jan 84 p 7

["Commentary" by RENMIN RIBAO reporters Yu Chengxiu and An Guozhang: "The Shamir Administration Is in Imminent Danger"]

[Text] The new year is just beginning, but the economic and political situation in Israel continues to deteriorate. The Shamir administration, which has been in power for several months only, is in imminent danger. Israeli Minister of the Interior Yosef Burg admitted, "The daily worsening economy may cause the collapse of the Shamir administration in the near future." Israeli Deputy Prime Minister David Levi also lamented, "Israel may have no alternative but to hold an early election."

According to reports, in the fourth quarter of last year, Israel's inflation rate set another world record. The inflation rate for the whole of last year was 190.7 percent, and Israel's debts also exceeded \$23 billion. Last year, foreign trade deficits reached \$4 billion. The deterioration of the economy has made the burden of livelihood heavier for the people. According to Israeli Government statistics in the early part of January, the prices of basic foodstuffs have risen threefold.

For the sake of saving the economy from imminent collapse, the moment the Shamir administration took office, it worked out an "overall retrenchment plan," approved the raising of prices, and cut down spending in order to reduce deficits. At the end of last year, the Israeli authorities announced that they were prepared to freeze the building of Jewish settlements in occupied Arab territory in order to reduce huge government spending. The economic situation in Israel is going from bad to worse, and this has caused strong resentment among various circles inside the country. On 2 January, some 40,000 workers staged a strike in protest against the Shamir administration for raising prices, and asked for wage increases. On 8 January, 26 professors of economics issued a statement, pointing out that "Israel is now at a crossroads, and if the government does not take basic measures, Israel will be heading swiftly for disaster."

The imminent collapse of Israel's economy is the inevitable outcome of the policy of expansion stubbornly carried out for a long time by the ruling clique. Israel has limited resources, and a population of only 4 million people, but it actually has a regular army of 160,000 men and reserve units of 400,000 men. The huge national defense spending has dealt a heavy blow to the economy which is already in a depressed state. Last year, Israel's total budget was \$36 billion, however, its natural defense budget was \$12 billion. This, added to such costs as the building of settlements and internal public security, actually amounted to 70 percent of the total budget. This is also something unique in the world of today. Aridor, former Israeli minister of finance, has no choice but to admit that Israel's economic difficulty is mainly caused by the war in Lebanon. The invasion of Lebanon has already caused Israel to waste nearly \$2 billion. In the past few months, as a result of the intensification of Israel's economic crisis, the call for the withdrawal of troops from Lebanon has become louder and louder in Israel.

At present, although the Shamir administration is beset with difficulties both at home and abroad, it still clings stubbornly to the expansionist policy of building Jewish settlements. Shamir recently threatened that "the work of building settlements still takes priority in the agenda of the government." However, a public opinion poll published on 3 January showed that 72 percent of the people are of the opinion that the budget for the building of settlements should be reduced first. The result of another public opinion poll is that most of the people are against the building of Jewish settlements. This phenomenon has never appeared in Israel before in decades. At the same time, the contradictions within the ruling clique in Israel are also sharpening. Several of the small parties which joined the coalition government are greatly dissatisfied with Shamir's policies, and internal strife has become acute. The Labor Party, which is the largest opposition party, is taking advantage of the opportunity to launch an attack against the Rafi group, and is prepared to take over. According to reports, public opinion polls have indicated that if an early election is called in Israel, the Labor Party will get 57 seats in the 120-member Knesset, whereas the Rafi group will only get 41 seats, and the Shamir administration will be faced with the danger of being toppled. However, it can be affirmed that regardless of who will become the policymaker in Tel Aviv, if he does not basically change the Israeli policy of aggression and expansion, he is not going to have an easy time.

RENMIN RIBAO INTERVIEW WITH MEXICO'S SEPULVEDA

HK240328 Beijing RENMIN RIBAO in Chinese 20 Jan 84 p 7

["Special Dispatch" by Yao Chuntao: "Mexican Secretary of Foreign Relations Discusses Central American Situation"]

[Text] Mexico City, 16 Jan -- In an exclusive interview with this reporter today, Bernardo Sepulveda, Mexican secretary of foreign relations, answered questions on the situation in Central America and Mexico's foreign policy.

Sepulveda first briefed on the positive results of the Panama conference of the four countries of the Contadora Group and the ministers of the five Central American countries. He said: "The guidelines of various obligations in implementing the document of intention" adopted at this conference is a document of important historic significance. If the various promises listed in the document are carried out by the various countries, the possibility of dispelling the military presence of foreign countries in this region will exist, and then the process for peace in Central America will begin. Reviewing the situation in Central America over the past year, he said: the situation in this region has been extraordinarily severe, and three times it has been on the verge of war. Through various efforts the past year, although the danger of war has not been eliminated, it is certain that such danger has been greatly delayed.

Concerning the source of the turmoil and conflicts in Central America, Secretary Sepulveda holds: Because the inhabitants in this region have no guarantee of making a living, there exists inequality in politics, and the masses are yearning for socialism. At the same time, he further pointed out, the ever-increasing arms race and the foreign military presence in this region, which includes military bases and personnel, is also an important factor causing instability, and heightens the tense situation. Therefore, to establish peace and stability in this region, it is necessary to adopt military, political, and economic measures simultaneously. In his briefing Sepulveda stated: Taking into consideration the aforementioned needs, it has been unanimously agreed by the various countries at the Panama conference to set up three committees to be founded separately on 31 January. Their plans will be presented on 29 February, and their work reported on 30 April. Sepulveda held that the Contadora Group's effort for peace has been effective. It has opened up channels for various political negotiations for peace in Central America, preventing the further expansion of conflicts in the region, and enabling the governments of various Central American countries to understand that they have a responsibility to find a way to create an atmosphere for regional peace and friendly cooperation. Therefore, its activities have won international support, including international organizations such as the United Nations and the OAS.

On Mexico's foreign policy, Secretary Sepulveda said: Mexico always has persisted in its traditional, global foreign policy. It is natural that Mexico has a particular interest in Latin American affairs. The Mexican Government will continue to exert diplomatic efforts to avoid the expansion of conflicts in Central America, and to stop any action which violates noninterference and the right of self-determination of the peoples of various nations. Mexico has shown particular concern over the political talks on Central America, and strongly believes that only through talks will it be possible to achieve coordination and peace in this region.

Concerning the international situation, Secretary Sepulveda said: Because of the arms race, the failure to solve disputes through peaceful means, and the violation of the principle of noninterference and the people's self-determination of various nations, various conflicts have taken place, and there have appeared many hot spots in the world. He hopes that all countries, disregarding their political systems or levels of development, will make effective contributions to world peace and international security. No country should evade this responsibility, because no country can avoid the effects resulting from the expansion of conflicts. It is obvious that countries possessing powerful military strength should bear greater responsibilities for safeguarding peace; however, countries with comparatively weaker military strength will likewise play an important role in safeguarding peace and international justice. Such role has been proved by the efforts of the Third World countries for peace in supporting the Contadora Group at the United Nations.

ARGENTINE FOREIGN MINISTER ON MALVINAS ISSUE

LD121522 Beijing XINHUA in English 1321 GMT 12 Jan 84

[Text] Quito, January 11 (XINHUA) -- Argentine Foreign Minister Dante Caputo today reiterated that Argentina will "never negotiate on the sovereignty of the Malvinas Islands." In an airport statement here, Caputo said "The Malvinas issue is extremely complicated." "The issue is now frozen and what is important is to thaw it out," he said.

He added that Argentina will strive to recover its sovereignty over the Malvinas Islands on the basis of U.N. resolutions related to the issue. The foreign minister arrived here to attend a Latin American economic conference.

Caputo also said that talks between Argentina and Chile on their dispute over the Beagle Channel have entered the final stages, which he regarded as very important for ensuring peace in the southern part of South America and for the future of trade and economic relations between the two countries.

Meanwhile, in Buenos Aires, the Argentine Foreign Ministry also announced Wednesday that Argentine and Chilean foreign ministers will meet this month to speed up negotiations for a solution to the Beagle Channel dispute.

JIEFANG RIBAO GIVES ANSWERS ON SPIRITUAL POLLUTION

OW270601 Shanghai JIEFANG RIBAO in Chinese 15 Jan 84 p 2

["Answers to Readers' Questions on Eliminating Spiritual Pollution"]

[Text] Since the 2nd Plenary Session of the 12th CPC Central Committee set the task of eliminating spiritual pollution, initial results have been achieved and now the campaign is developing soundly and in depth. To do a still better job in eliminating spiritual pollution, quite a number of readers have written to us for a clearer definition of the scope, policy and limits of the campaign to eliminate spiritual pollution. The following are our answers based on the guidelines of relevant directives:

Question: In what spheres mainly is spiritual pollution to be eliminated?

Answer: The essence of spiritual pollution is to spread all kinds of decadent and moribund ideas of the bourgeoisie and other exploiting classes and to spread doubts about the socialist system and Communist Party leadership. Spiritual pollution is mainly to be eliminated in the ideological sphere, particularly in theoretical and literary and art circles. The emphasis is to solve the tendency of weak and lax leadership on the ideological front.

Question: Do other fronts also have to eliminate spiritual pollution?

Answer: Elimination of spiritual pollution is an urgent task and also a long-term and arduous task in building a socialist spiritual civilization. It is an important task on the ideological front. Comrades on all other fronts should also be concerned about, give support to and take part in the work of eliminating spiritual pollution. They should not think that there is no spiritual pollution in the rural areas because the slogan of eliminating spiritual pollution is not to be raised in the rural areas. Nor should they think that there is no problem of spiritual pollution in the economic, scientific and technical, and other spheres. Of course, as far as the grassroots units in these spheres are concerned, it is mainly through strengthening ideological and political work that we build socialist spiritual civilization, carry out positive education to prevent and resist spiritual pollution and increase the ability of the masses of workers and staff members to prevent and resist spiritual pollution.

Question: What are obscene materials? Are these materials spiritual pollution?

Answer: Obscene material mainly refers to pornographic books, pictures, sound recordings, videotapes, hand-written copies and so forth. These things are, of course, spiritual pollution and should be eliminated. Those who manufacture or sell such matters violate criminal law. They should be handled according to law, and there is no need to include their cases in the elimination of spiritual pollution. As for those who have occasionally seen or kept such material, it is a matter of education to see to it that they will not do it again or will hand over the material. These people should not be lumped together with criminal offenders.

Question: How should we regard nude figures in works of fine art, nude sculptures and artistic photographic works which really depict the beauty of the human body?

Answer: Comrade Mao Zedong pointed out that in schools of fine art both male and female models are needed because without models it is impossible to give training in drawing. In using models, a strict management system should be established and perfected. Paintings and sculpture depicting the beauty of the human body are not spiritual pollution. Some units regard teaching materials in fine art such as "sketches of human figures" as spiritual pollution, which is improper.

Question: Can we continue to listen to lyric songs and light music?

Answer: Of course you can. What we want to ban are decadent and obscene songs which are popular in Western bars and in such places as brothels. This kind of decadent music can only make people depressed and degenerate. We promote songs that have revolutionary content and urge people to make progress, healthy and lively light music, and folk songs with rich national characteristics. We should warmheartedly encourage the masses of musical workers to plunge into the thick of life and create good new songs which inspire revolutionary spirit to replace songs not so good in style. As to lyric songs and light music in general, so long as they are not obscene, reactionary and harmful, they are not to be banned. The banning of songs created and published by domestic musical groups and musical production units must be approved by the departments in charge and should not be imposed arbitrarily.

Question: How should we treat love scenes in films?

Answer: Of course, love scenes are permitted in films. We certainly cannot regard all love scenes in films as obscene. If there are obscene shots, they should of course be dealt with. All films including dramas, dances, quyi, acrobatics and so forth, which are not banned by formal decrees of the central authorities, can be shown and should not be arbitrarily and indiscriminately prohibited.

Question: How should we treat famous foreign works of literature which contain descriptions of love?

Answer: Some world-famous literary works written by bourgeois writers have in varying degrees exposed and castigated the feudal system and various evil phenomena in capitalist society; they are of some progressive significance. It is normal and beyond reproach that these works contain descriptions of love; their limitations in other respects are insignificant. Libraries at various levels may continue to display and loan them, and Xinhua bookstores may continue to sell them. Of course, we should give young people correct guidance in learning to analyze and differentiate by using the Marxist viewpoint. We have absorbed in the past and will continue to absorb in future what is useful from Western culture. What is harmful had to be rejected in the past, and should continue to be rejected in future. What we want to ban are works devoted exclusively to the portrayal of sex. Bans of this kind should also be approved by the relevant government departments.

Question: Is paying attention to dress and make-up considered spiritual pollution?

Answer: As the people's living standards improve, the number of patterns and styles of dresses, especially for young people, has increased. This is a good thing. We should protect and support the legitimate desire of the masses of young people to make life more beautiful, and we should not interfere with the way people dress and use make-up. Generally speaking, dress is still monotonous in our country. Let's not stifle the just emerging liveliness and variety and return to the old-fashioned and monotonous state. We cannot regard all personal preferences in daily life such as having a permanent, wearing jewelry and putting on high-heeled shoes as spiritual pollution (regulations such as prohibiting middle and primary school students to have permanents should continue to be observed). So long as conditions permit, young people should not be criticized for being more smartly dressed, eating a little better and having more fun. In short, eliminating spiritual pollution and making life more beautiful are not contradictory to one another. Pollution must be eliminated; life must be made more beautiful. Naturally, in pursuing what is beautiful, young people may make some mistakes. In this connection, guidance is needed, but a strict distinction must be drawn with spiritual pollution.

Question: Some units regard violation of labor discipline, refusing to accept a job assignment and individualistic ideas as spiritual pollution. Is this correct?

Answer: No. To solve these problems, we must rely on regular ideological and political work and improve the management system.

Question: In rural areas, there are feudal superstitions, mercenary marriages, gambling and other undesirable phenomena; why shouldn't the slogan of eliminating spiritual pollution be used?

Answer: Every slogan is put forward on the basis of a specific situation and specific characteristics and has its specific content. It must not be expanded at will. We have always opposed feudal superstitions and other activities in rural areas, and we already have a set of effective proven measures to deal with them, such as the launching of the "five stresses, four beauties and three loves" movement, the building of "civilized villages," and so forth, which the peasants are very familiar with. If we raise the slogan of eliminating spiritual pollution, it will be hard for the peasants to understand, and its implementation can easily get out of hand. Not using the slogan of eliminating spiritual pollution in the rural areas does not mean that there is no spiritual pollution in the rural areas. We can and should follow the party's original policies, correct erroneous tendencies and solve problems wherever they are.

Question: Should personally owned sound-recording tapes be turned over to the authorities and erased?

Answer: There is no need to turn them over to the authorities. If tapes contain recordings of reactionary and obscene material, the owners should erase them themselves.

Question: How can the work of eliminating spiritual pollution be done more successfully?

Answer: To eliminate spiritual pollution correctly and soundly, it is necessary to draw clear lines of demarcation in applying policies. However, the purpose of drawing clear lines of demarcation in applying policies is to do a better job in eliminating spiritual pollution. We must not think that since the stress in eliminating spiritual pollution is placed on drawing clear lines of demarcation in applying policies, there are no serious problems, we need not worry at all and need not make self-criticism even if we have obviously made mistakes. This is not good. Elimination of spiritual pollution must not become perfunctory and superficial. Comrades who have been affected by spiritual pollution should make self-criticism. We should on the one hand eliminate interference and grasp policies and on the other hand distinguish between right and wrong and increase our understanding so that we can do a still better job in eliminating spiritual pollution and in building socialist spiritual civilization.

BEIJING PAPER ON SPIRITUAL POLLUTION DRIVE

OW270401 Tokyo KYODO in English 0336 GMT 27 Jan 84

[Text] Beijing, Jan 27 (KYODO) - The BEIJING DAILY [BEIJING RIBAO] Thursday called for extending indefinitely the current anti-spiritual contamination campaign which began last November. The call by the organ paper of the Beijing Municipal Party Committee in a commentary came amid a rumor that the campaign may be suspended.

The drive was kicked off by strongman Deng Xiaoping's speech at a plenary session of the party Central Committee held in Beijing last October. The campaign, which appeared to be not so clear in character from its beginning, has reportedly created confusion among the Chinese. It waned since late last year, followed by rumors it would be halted.

The daily's call could mean the party leadership has recently reviewed the campaign and decided to make it a long-range project. The Communist Party will complete its reform drive in three years, but more years will be required for wiping out spiritual contamination, the BEIJING DAILY said. The daily cited the opposition and criticism against words and actions deviating from Marxism and socialism as one of the main goals for the campaign. Another goal is to prevent adverse effects on the party, the general social life, and especially on youths, of obscene books and corrupt thought favoring profit-making, the daily said. These goals were earlier pointed out by Deng Yingchao, party Politburo member and chairman of the Chinese People's Political Consultative Conference, in a new-year tea party meeting. The conference is a popular front organ. Under the campaign, Zhou Yang, chairman of the China Federation of Literary and Art Circles, made a self-criticism for his literary theory. Other victims of the drive included Wang Ruoshui, who was fired as deputy editor-in-chief of the PEOPLE'S DAILY, a party organ paper.

COMMENTATOR ENCOURAGES REFORM OF GRAIN WORK

HK261254 Beijing RENMIN RIBAO in Chinese 22 Jan 84 p 2

[Commentator's article: "Be Courageous in Reforming Grain Work"]

[Text] The article on the investigation of a grain system which has cut losses and increased profits merit reading. For a long time, in many places the turnover in grain and edible oil was invariably in direct proportion to the losses: The more the turnover, the greater the losses. The grain system of Luyi County, however, has departed from this "standard rule," and succeeded in making several hundred thousand yuan in profits a year. Their practice has shown certain losses of a policy nature that are difficult to reverse can be reversed as a result of effort. The key here lies in carrying out reform.

Reform means being courageous in smashing old conventions and habits, making great efforts to adapt to the new situation under the guidance of the series of policies and principles of the Central Committee, and blazing a new trail. In the past, some units of the grain system in Luyi County covered up losses of a policy nature, ate from the "same big pot" with an easy conscience, paid no attention to waste, made no effort to improve management, and asked the higher levels for help when losses appeared. Later, they conscientiously studied Central Document No 1 from 1983, heightened their understanding, checked over the causes one by one, discovered the loopholes, and were greatly startled: Many of the losses were actually caused by bad management, and what they ate for a long time was not "deficit rice," but "guilty conscience rice." They resolved to change this longstanding method of eating from the "same big pot," implemented a responsibility system, actively expanded the scope of management, and created a brand new situation in cutting losses and increasing profits. It is precisely due to the courage of carrying out reform that the enterprise is not filled with vitality, enabled the initiative of the people as well as the potentials of various sectors to be brought into play, catered to the needs of the peasants and masses, and produced outstanding results.

The fact that the grain system of Luyi County has cut losses and increased profits has again proved: Concerning the commercial or the supply and marketing departments, the grain or the financial departments, we must strive to change various rules and regulations as well as traditional methods that do not fit in with the new situation today in the countryside. Only thus will we be able to meet the demands of the improving economic situation in the countryside, and at the same time promote the development of our work.

To reform the rural enterprises, we must first reform our method of thinking: We must change our old style of thinking as well as traditional concepts, adapt ourselves to the new situation, and boldly carry out reform. At present, some of the comrades merely discuss certain out-of-date rules and regulations but do not make great efforts to change them. Some feel that it would be safer to stick to conventions. This kind of mental attitude will not do. Socialist modernization needs more and more people of ability who are not afraid of creating a new situation!

RENMIN RIBAO URGES JOB RESPONSIBILITY SYSTEM

HK270349 Beijing RENMIN RIBAO in Chinese 21 Jan 84 p 1

[Editorial: "Popularize the Job Responsibility System in Institutions"]

[Text] With the completion of structural reforms, the situation of overlapping party and government institutions above county level, overstaffed leading bodies, and the advanced age of their members has been improved to a certain extent. However, generally speaking, bureaucracy still exists in party and government institutions above county level. This problem has not yet been completely solved. Bureaucracy has mainly manifested itself in the following ways: no clear definition of duties, lack of responsibility in work, disputing over trifles, and low work efficiency. Due to the fact that no efforts have been made to define duties and responsibilities and incumbent on and powers vested in persons or posts, many comrades who wish to do more are not able to bring their enthusiasm and creativity into full play. Those who have power and authority of office eat three square meals a day and do not work. They are neither praised nor punished, for doing more or less work or doing their work well or ineffectively. When problems occur in work which hamper the interests of the party and people, very often it is impossible to find out who is accountable for the errors, despite repeated investigation. Lenin said: "Lack of responsibility under the pretext of collective leadership is the most dangerous disaster." Our party and people have suffered a lot from such disasters of the lack of responsibility in work and bureaucracy. It has damaged the prestige of the party and government, corroded the fighting will of cadres, and hampered our work and the modernization program. It must be eliminated as soon as possible.

Extensively establishing the job responsibility system in the institutions of party, government, and mass organizations, as well as in enterprises is an effective measure for completely eradicating the above-mentioned defects. Comrade Deng Xiaoping pointed out: "Division of labor with individual responsibility is needed. The job responsibility system should be established at both higher and lower levels. Only thus can we carry out our work in an orderly and effective way, clearly define duties incumbent on persons or posts, make a clear distinction between reward and punishment, and avoid dilatory work style, shifting responsibility onto others, and obstructing each other's work." To establish the job responsibility system in institutions, it is demanded that various units gradually define tasks for persons at both higher and lower levels, and clearly define the competence and responsibility of leading cadres and working personnel based on the authorized size, terms of reference, and work tasks of the units concerned after structural reform. In so doing, all matters will be taken care of and each and every member of working personnel will have his own duties, responsibilities and powers. In so doing, each will attend to his own duty and discharge his own responsibilities.

The job responsibility system must be closely linked with assessment of proficiency and the work of meting out rewards and punishment.

While clearly defining duties, responsibilities and powers, it is necessary to set criteria and adopt practical methods for assessment based on the job responsibility system. We must check on cadres' moral integrity, ability, work attendance, and achievement, with emphasis being placed on work achievement. On the basis of assessment, cadres should either be rewarded or punished in light of their achievement and errors in work. Some should be promoted whereas some should be demoted. Those who have made marked achievements should be given spiritual and material rewards. Cadres' promotion and demotion should be based mainly on their performance. Those who are not competent at their jobs should be urged to enhance their vocational level and work ability within a certain period of time. Those who are not qualified should be transferred. The incompetent, slack, and irresponsible should be dismissed and reassigned to other, proper posts. Those who neglect or disown their duties should be punished within the party or administrative disciplinary measures should be taken against them.

As long as we do our work conscientiously, those who hold posts without qualification will no longer be able to muddle along. Bureaucracy and a lack of responsibility in work will no longer easily occur. After the first stage of structural reform, we should continue to march forward from victories already won. We should continue to carry out reform and establish the job responsibility system. Otherwise, it will be difficult to consolidate positive results already achieved. In the past, due to the fact that no strict assessment was made of cadres and that sometimes we lacked objective criteria for such assessment, we did not have sufficient reason to say that certain cadres were good or bad. It was difficult to judge the merits and faults of cadres. It was also difficult to discover and select talented personnel. Once we have established the job responsibility system, we will have objective criteria for assessing cadres' moral integrity, ability, work attendance, and achievement. Thus it will be easier for us to select and appoint able and virtuous persons. As long as we have laid a good foundation for the work of establishing the job responsibility system, it will promote the reforms in the cadre system and personnel system and arouse the enthusiasm of working personnel in institutions in studying theory, culture, science and vocational knowledge. It will urge cadres to strengthen their sense of responsibility for the revolutionary cause. This is useful for enhancing the quality of cadre ranks and beneficial for establishing a work style in institutions characterized by people's efforts to overtake each other in friendly emulation and to make progress. This is a matter of great significance in changing party style and effecting a fundamental turn for the better in the general mood of the society.

The key to establishing the job responsibility well in institutions lies in the efforts of leaders to attach importance to the work. The system should be established from top to bottom. Upper levels should lead lower levels. They should supervise each other and carry out constant investigation. Reform is a revolution. It will inevitably encounter obstruction. Leading cadres must have foresight and sagacity in carrying out reform. Instead of fearing difficulties and taking a wait-and-see attitude, they should be bold in practice and carry the work of establishing the job responsibility through to the end. They should personally take up important problems occurring in the process of establishing the job responsibility system and consult the masses in order to solve these problems. In so doing, they will constantly improve the job responsibility system in practice. Because of different conditions in various departments, there should be various forms of responsibility system. It is unnecessary to demand conformity in everything.

We should conscientiously strengthen ideological and political work. Only by proficiently integrating ideological and political work with the binding force of the system can the system work effectively. We should educate our cadres to understand the necessity and importance of establishing the job responsibility system.

We should enhance the broad masses of cadres' sense of responsibility and promote their spirit of serving the people wholeheartedly so they observe various rules and regulations and accomplish their work tasks with both quality and quantity guaranteed. We should also encourage them to consciously carry forward the spirit of unity and mutual aid so that they learn from each other, make progress together, and strive to create a new situation in the work of their own units and departments.

Not long ago, a number of localities and units throughout the country carried out experimental work on establishing the job responsibility system and achieved some successful experiences. At present, on the basis of summing up previous experiences, the job responsibility system must be extensively popularized in the institutions of party, government, and mass organizations at all levels throughout the country. Generally speaking, those units which are carrying out party rectification in the first phase are allowed to establish the system at the stage of reorganization and reform. Those units which will carry out party rectification in the second phase should wait no longer. They can do the work of establishing the job responsibility system sooner. This work does not conflict with party rectification work. On the contrary, they will promote each other. One of the purposes of party rectification is to overcome bureaucracy, improve leadership style, and heighten the sense of discipline. By establishing the job responsibility system in institutions, we can strengthen and improve party leadership based on the organizational system. CPC committees and governments at various levels should unify their thinking and regard the establishment of the job responsibility system as an important item in the process of making improvement while carrying out party rectification. They should formulate a plan for the work and implement it conscientiously.

OFFICIAL ANSWERS QUESTION ON PREFECTURE INVESTIGATION

HK261150 Beijing GUANGMING RIBAO in Chinese 15 Jan 84 pp 1, 4

[Report: "Leader of Work Team of Central Discipline Inspection Commission Answers Questions by GUANGMING RIBAO and GONGCHAN DANGYUAN COMMUNIST] Journal Reports on Matters Relating to its Investigations and Party Rectification" -- capitalized passages published in boldface]

[Text] From March to December last year, Liu Liying, CPC Central Discipline Inspection Commission Standing Committee member, led a work team of the commission to work at Yuncheng Prefecture, Shanxi, together with a work team from the Shanxi Provincial CPC Committee to investigate the case of Zheng Ge, deputy secretary of the Yuncheng Prefectural CPC Discipline Inspection Committee who adhered to principles and refused to act wrongly out of personal consideration in investigating and handling a number of cases of cadres illegally building private houses. With the support and help of the local relevant departments, and by investigating the cases and grasping party style, they discovered the problems in the prefectural and county leading groups and then helped the prefecture to reorganize its leading groups and correct the unhealthy trend. As a result, the prefecture's party organizations, particularly the leading groups, have taken on a new look. A central leading comrade pointed out: We should grasp the problems in Yuncheng Prefecture as a typical example and sum up their experiences in order to guide the work of the coming party rectification. For this reason, this reporter visited Liu Liying, head of the CPC Central Discipline Inspection Commission work team. The following is what Liu said in answer to this reporter's questions:

QUESTION: WHEN WE WERE IN SHANXI, WE HEARD THAT THE PEOPLE IN YUNCHENG WERE VERY GRATEFUL TO THE WORK TEAM OF THE CPC CENTRAL DISCIPLINE INSPECTION COMMISSION AND SAID THAT YOU HAD BROUGHT THEM HOPE. PLEASE TELL US WHAT YOU THINK OF THIS.

ANSWER: Last March, the CPC Central Discipline Inspection Commission Standing Committee decided to send me to Yuncheng and to head a work team. Therefore, we stayed there for more than 9 months and, in accordance with the directives of the leading comrades of the CPC Central Discipline Inspection Commission and with the support of the Shanxi Provincial CPC Committee and the relevant departments in Yuncheng Prefecture, did some work that we had to do, made a thorough investigation of the case of intimidating and attacking with words Comrade Zhang Ge and a number of cases that could not be solved for a long time. We also proposed to the local relevant departments the way to handle these cases. We party members must work for the people and pursue the benefits of the masses of the people. If we, the work team of the CPC Central Discipline Inspection Commission, have done some beneficial work in Yuncheng, we have merely done our duty and there is nothing to praise us for.

QUESTION: HOW DID YOU, THE WORK TEAM OF THE CPC CENTRAL DISCIPLINE INSPECTION COMMISSION, REORGANIZE THE LEADING GROUPS BY INVESTIGATING THE CASES AND GRASPING PARTY STYLE?

ANSWER: Take the case of Comrade Zhang Ge receiving a letter of intimidation for example. The criminal in this case was Jie Gaojie, a cadre in the United Front Work Department of the prefectural CPC Committee who was a party member. He committed the crime on 18 June 1982. He wrote, under the name of "Jiang Shihua," a letter of intimidation to Zhang Ge, in which he demanded that Zhang had to "immediately stop" his adherence to the principle of investigating cases related to building houses and thus "leave himself a way to escape." "Otherwise, if you go on like this, you had better consider your personal safety." In the process of cracking this case, the local Public Security Department met with some resistance. After this case was solved, the prefectural CPC Discipline Inspection Committee gave notice 38 times to the United Front Work Department of the prefectural CPC Committee and requested it punish Jie Gaojie, but the department insisted on refusing to punish him. Finally, at a party branch meeting, it was decided to place Jie Gaojie on probation within the party for 1 year as punishment. At that time, Jie requested that this decision should not be reported to the upper level until his wage was readjusted so that this would not have any evil impact on the increase in his wage. The official directly above him -- the wife of the director of the organization department of the prefectural CPC Committee -- approved the delay. In this manner, the punishment of Jie Gaojie was delayed by as long as 5 months in the United Front Work Department.

Before committing this crime, Jie Gaojie committed larceny and embezzlement. Why could a criminal like him could go free for such a long time? Through deep investigation, we found that he had the protection of and connections with the leading cadres who had actual power in their hands, including members of the prefectural CPC Committee Standing Committee, the director of the organizational department and his wife, a prefectural bureau chief, and the director of the Yuncheng County Armed Forces Department. Because of their factionalism or because they had gained something through Jie Gaojie, they shielded Jie and put him in an important position. From this we can see that there were serious problems of impurity relating to thoughts, organizations, and party style in our cadre ranks and of unhealthy work style and problems in the leading group of the Yuncheng Prefectural CPC Committee.

In Yuncheng Prefecture, we investigated more than 40 cases that had had serious problems and that had roused great indignation among the masses of people. We followed the clues to the correct conclusion by investigating any people that were involved in the cases, no matter what level leading cadres they were. As a result, we discovered through the investigation those who protected and have connections or an "under-the-counter relationship" with the criminals and became aware of the prevailing practice of interceding for criminals and the "petticoat" influence.

When we thoroughly investigated the cases, we became clear of the problems related to party style. In the feudal society, there was the idea that "a prince should be punished for his crime in the same manner as common people." Should the leading cadres in our new society go free when they have violated the criminal law? Never. After a thorough investigation of the cases, we should seriously punish those cadres who have violated the law and discipline; legally punish those who must be punished legally; expel from the party those who must be expelled, and mete out party and administrative disciplinary punishment to those who must receive such punishment. This is the view of the leading comrades of the CPC Central Discipline Inspection Commission.

In accordance with this view, we suggested to the relevant departments there the punishments for 39 leading cadres at county and regiment levels in the prefecture who have been found, with actual evidence, to be seriously involved in the cases we investigated. Through the efforts of the provincial and prefectural CPC committees and the judicial and administrative departments, they all received party disciplinary or legal punishment. With the approval of the Shanxi Provincial CPC Committee, the cadre who shielded Jie Gaojie and put him in an important position was dismissed from his posts as prefectural CPC Committee Standing Committee member and Organization Department director.

At the same time, in the process of investigating these cases, we also discovered a number of good cadres who dared to adhere to the principles and fight against the unhealthy trend. When we reorganized the leading groups, we promoted them to leading posts. With the approval of the Shanxi Provincial CPC Committee, Comrade Zhang Ge has already been promoted to the post of Yuncheng Prefectural CPC Committee deputy secretary.

QUESTION: WOULD YOU TELL US WHAT IMPACT THE INVESTIGATION INTO CASES, THE GRASPING OF PARTY STYLE, AND THE REORGANIZATION OF THE LEADING GROUP HAVE IN THE CURRENTLY DEVELOPMENT PARTY RECTIFICATION?

ANSWER: In my opinion, the following four significant aspects are obvious.

1. It can heighten our party members' understanding of the great and far-reaching significance of the party rectification. Through the investigation into the cases, we have discovered problems of both the exploitation of one's power of office to pursue one's private ends and the violation of law. Though only a small number of people within our party have been involved, these problems are serious. For example, a criminal like Jie Gaojie was shielded and put in an important position by the former prefectural CPC Committee Standing Committee member and Organization Department director and his wife. It was planned that this Standing Committee member and Organization Department director were to be promoted to deputy secretary of the prefectural CPC Committee.

The vice president of Yuanqu County court committed a crime of raping a young girl. He was sentenced to life imprisonment, but later set free with a revised verdict of "not guilty," and paid 2,400 yuan of his salary in arrears. A criminal who started his career by taking part in rebellion and directed people to resort to violence in debate and who has had blood debts was thoroughly rehabilitated after being sentenced to 20 years' imprisonment. He was assigned his former job, paid the same salary as before, regarded as having same length of service as if nothing had happened, and given economic subsidies. At that time all these bad practices roused great indignation among the masses of the people. They said, "Yuanqu County is setting free elements who beat, smash, and loot while the central authorities are bringing the 'gang of four' to trial." In Yuncheng Prefecture, there was a former head of a rebellion faction who was also an element in beating, smashing, and looting. During the "Cultural Revolution," he was a member of the Standing Committee of the Shanxi Provincial Revolutionary Committee and a vice chairman of the provincial Education Committee.

After he was dismissed from these posts, he continued to stir up factionalism and put up small character posters everywhere in order to complain and call for redress for the former responsible persons of the prefectural CPC Committee, who have opposed the line of the 3d Plenary Session of the 11th CPC Central Committee, and to viciously attack in words the party's line, principles, and policies formulated since the 3d Plenary Session of its 11th CPC Central Committee. However, at that time, no one would handle his case.

Geng Binghong, former deputy director of the prefectural water conservancy department, embezzled and took bribes totalling more than 15,000 yuan and spent it on building a "Geng's residence" with 196 square meters of housing area, a bathing pool and simple steam facility inside, and a fish-breeding pool and a flower garden around the house. Liu Lizhi, former deputy secretary-general of the prefectural CPC Committee, exploited his power of office to publicly rape in his office the wife of a serviceman who was on duty. Through investigation of the cases, we exposed these problems and enabled the broad ranks of party members and masses of the people to concretely and vividly realize the serious nature of the unhealthy party style and thus aroused their sense of urgency and their consciousness in rectifying party style.

2. We can prevent the incidents of evil people repudiating good people in carrying out the party rectification. Without a doubt, if we had failed to discover through the investigation of the cases of the 39 leading cadres and had not punished them in accordance with party discipline and state law, most of them would have the power of leadership in the party rectification. With power in their hands, with the support of certain people at upper levels, and with gangs under them, these people would have formed networks. As a result, the fine comrades who dare to adhere to the principles and expose their problems would inevitably be persecuted by them. Now that we have reorganized the leading group and purged them, we will be able to prevent the emergence of this scenario and avoid making a show of party rectification. The masses of people practiced investigating cases, grasping party style, reorganizing leading groups, and purging the leading cadres who are involved in serious problems related to party style and said it was to "put out carrots as well as the mud." They said: "We have wanted and longed for party rectification, but if evil people have the power, party rectification will give rise to greater troubles. Now there is hope for bringing about a turn for the better in our party style because we have discovered the evil people in the process of investigating cases!"

3. We can put an end to the interference caused by factionalism. Because of the 10 years of turmoil, there is still the practice of factionalism in some areas. Some people often confuse right and wrong and good and evil people in dealing with things and people. Factionalism had its share in enabling the criminal Jie Gaojie to go free for a long time. In the process of our investigation into the cases there, some people spread the rumor that the work team from the CPC Central Committee Discipline Inspection Commission wanted to provoke factionalism. In investigating the cases, we followed the clues right to the end no matter what people of which factions or whatever opinions were involved. In handling these cases, we regarded the facts of the crime and violation of law as our basis and the law as our yardstick. In punishing erring cadres, we acted in light of the facts we had found and in accordance with the party's principles. Facts are most convincing. Therefore, those who wanted to provoke factionalism and fish in troubled water failed to find any market for their action among the masses of people.

4. We can facilitate a quick turn for the better in our party style. Through investigation into the cases, we became clear about the nature of those cadres who had something to do with these cases.

We knew who supported the party's line, principles, and policies formulated since the 3d Plenary Session of its 11th CPC Central Committee and who opposed them; who worked in the party for the public interest and who exploited their power of office to pursue their private ends; and who observed the law and discipline and who violated them. The problems we discovered in the process of the investigation into the cases were mostly problems of ideology and understanding, except for a small percentage of violations of the criminal law. We propose to call inner-party democratic life meetings to heighten these people's understanding by means of criticism and self-criticism. We convened democratic life meetings of the party member leading cadres of the five leading groups in all the counties of the prefecture. At these meetings, the leading cadres conscientiously studied the CPC Central Committee resolution on party rectification and Comrades Deng Xiaoping and Chen Yun's important speeches at the 2d Plenary Session of the 12th CPC Central Committee and thus heightened their understanding on party rectification. At the same, they carefully and deeply examined themselves and professed the facts of the unhealthy trend they have committed, such as exploiting their power of office to illegally build private house, illegally recruiting new workers and transferring residence registers, accepting gifts, giving dinners at public expense and securing advantages and purchasing goods in short supply through influence. They also corrected these unhealthy practices by their actual deeds. Those who have embezzled and spent public money have returned all their gains. They said that they would never engage in unhealthy practices again, nor do anything in a muddleheaded manner, set up any network of connections, or establish any under-the-counter relationships. They have made up their minds to become fine, honest, and uncorruptible party members who serve the people wholeheartedly.

DENG LIQUN ADDRESSES CPC PROPAGANDA DEPARTMENT MEETING

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[Text] Beijing, 26 Jan (XINHUA) -- Deng Liqun, member of the Secretariat of the CPC Central Committee and head of the Propaganda Department of the CPC Central Committee, said here today that all comrades doing different work in different departments should know the overall situation in order to broaden their outlook and strengthen their confidence in working well. He said this at a situation report meeting held at the Great Hall of the People this afternoon by the Propaganda Department of the CPC Central Committee, the party committees of state organs, the PLA General Political Department and the Beijing Municipal CPA Committee.

Fang Weizhong, vice minister of the State Planning Commission, delivered a report on China's current economic situation and policies. Deng Liqun presided over and addressed the meeting. Fang Weizhong pointed out in his report: The past year was a year in which China made great achievements in economic construction. There were remarkable achievements in three respects:

1. Both industry and agriculture achieved unexpectedly wide growth;
2. The scope of the key construction projects was expanded and the people's living standards further improved; and
3. Some production quotas set for 1985 in the Sixth 5-Year Plan were met or almost met in 1983, thus laying a sound foundation for the fulfillment and overfullment of the Sixth 5-Year Plan.

There were some things which we were not sure of at the beginning of the Sixth 5-Year Plan. Our practice last year enabled us to see them more clearly. Now we have come to know more clearly where to put our effort.

Deng Liqun said in his speech: Generally speaking, working under a system of division of labor, you all know your own work and the work and the situation in your departments. However, your knowledge of the work in other departments, particularly the overall situation at home and abroad, is quite insufficient. From now on, we will provide the conditions to help you learn of the overall situation. The overall situation will broaden your outlook and facilitate your learning of good experiences in other departments and your efforts to improve your work. By providing the conditions, I mean organizing you to listen to situation reports.

Deng Liqun explained: The Propaganda Department of the CPC Central Committee, the party committee of the organs under the Central Committee, the party committee of state organs, the PLA General Political Department and the Beijing Municipal CPC Committee have jointly decided that from now on we will ask the comrades of the departments concerned under the CPC Central Committee and the State Council to make situation reports. After today's report meeting, we will hold other meetings to report on the international situation and foreign affairs, and on the rural situation and work. We plan to hold about 10 report meetings like this one this year and make such meetings a permanent project.

Some 6,000 persons attended today's situation report meeting. They included responsible comrades and other middle-ranking and high-ranking cadres of various departments under the Party Central Committee and the State Council, PLA units in Beijing and Beijing Municipality.

RENMIN RIBAO REVIEWS CPC-KMT COOPERATION

HK261000 Beijing RENMIN RIBAO in Chinese 20 Jan 84 p 5

[Article by Lu Ren: "The Inevitable Trend of History, the Demand of Revolution -- In Commemoration of the 60th Anniversary of the First National Congress of the Kuomintang"]

[Text] The First National Congress of the KMT, which was held on 20 January 1924, had made great contributions to the Chinese revolution. To commemorate this congress, which was held 60 years ago, and to recall the great contributions made by the great revolutionary forerunner, should be the common desire of those who strive to accomplish the great cause of the unification of the motherland and the revitalization of China.

I

The convening of the First National Congress of the KMT and the first cooperation between the KMT and the CPC were the brilliant strategic decisions made by Dr. Sun Yat-sen and the KMT under his leadership for the purposes of "conforming to the trends of the world, meeting people's needs," extricating themselves from a difficult position, and creating a new situation in the revolution. In addition, there were also the glorious achievements made by the CPC in its youth in conscientiously shouldering the responsibility for leading the anti-feudal and anti-imperialist new democratic revolution, in devoting efforts and energy to forming the revolutionary united front, and in uniting with all advanced forces.

Dr Sun Yat-sen had devoted 40 years to the national revolution and encountered many difficulties in the course of the revolution. The 1911 revolution succeeded in overthrowing the Qing Government, thus putting an end to the autocratic monarchy which existed for several thousand years. However, it had not brought about radical changes in the tragic situation of China's being under feudal, imperialist rule. Warlords from all parts of the country fought one another and ascended and descended the political stage as if they were on a merry-go-round. Consequently, on Chinese soil, "with the elimination of the Manchu autocratic monarchy there came many autocratic bandits who brought disasters much more serious than those brought before." (Sun Yat-sen: "Preface to 'The First Strategy for National Construction: Psychological Construction'")

Why did the road he took become narrower and narrower? Dr. Sun Yat-sen tried very hard to find the key to the problem. However, he failed even though he spent much time on it. He said with vexation: "My aspiration, which remained sincere and pure in the past 30 years, is on the verge of evaporating and my indomitable spirit has almost been turned into complete apathy." (Ibid)

The October Socialist Revolution ushered in a new era in the history of mankind. The May Fourth Movement and the birth of the CPC indicated that China's working class and its vanguards had ascended the political stage as a politically conscious force. The historical changes in China and the world attracted the attention of Dr. Sun Yat-sen and his comrades-in-arms. Finally, there was an answer to the question which had lingered in his mind for many years. With the help of the Chinese Communists and the Communist International and the repeated consideration, debates, and discussion between Dr. Sun Yat-sen and his comrades-in-arms, they gradually realized that: The fatal weakness of the past struggles, which suffered repeated failure, lay in the absence of a program with a well-defined anti-imperialist, anti-feudal objective and in the absence of a well-organized and well-disciplined revolutionary political party capable of leading the broadest masses of people to fight. In June 1922, Chen Jiongming, the new warlord who flaunted the banner of the KMT, started an armed rebellion. This bitter fact made Dr. Sun Yat-sen clearly aware of the fact that: "The KMT was degenerating and dying and new blood was needed to save it." ("Selected Works of Soong Ching Ling," p 109) What the Chinese Communists had done profoundly convinced him that these people were truly his revolutionary comrades. He decided to ally with the CPC, to admit CPC members into the KMT, and to rely on them and the left-wing KMT members in reorganizing the KMT. Dr. Sun Yat-sen's idea reflected the desire of the true revolutionaries within the KMT.

When they first embarked on the road of revolution, the Chinese Communists held high respect for Dr. Sun Yat-sen. They sincerely helped Dr. Sun Yat-sen transform the KMT into a truly revolutionary democratic party. To be sure, the theoretical basis of the guiding ideology of the Chinese Communists was Marxism-Leninism and their ultimate goal of struggle was to realize communism.

In principle, the ultimate goal of and the theoretical basis for Dr. Sun Yat-sen and the KMT were different from those of the Chinese Communists. However, the Chinese Communists under the guidance of Lenin's theory of national revolution in colonies knew that in semi-feudal, semi-colonial China, the overthrowing of the imperialist and feudal rule and the accomplishment of the task of the democratic revolution constituted the precondition for the liberation of the proletariat. In July, 1922, the party's second national congress determined its major program at the state of democratic revolution. For the purpose of leading this revolution to success as soon as possible, there was the need to form the most comprehensive anti-imperialist, anti-feudal revolutionary united front because the reactionary imperialist and feudal rule was very stubborn, and it would be very difficult to overthrow this counter-revolutionary alliance by relying on any single class. We could conquer the enemy only by uniting with the assembled democratic and patriotic forces. At that time, among various political parties, the democratic faction of the KMT was relatively more revolutionary. Doubtless, it was an important force with which the CPC should unite. To be sure, the party was soberly aware of the fact that the KMT had many grave weaknesses and that it had to be reorganized. In August, the CPC Central Committee held a special session on Xi Hu, Hangzhou, to discuss the problem of cooperation between the KMT and the CPC. The session decided that the CPC members should join the KMT as individuals and help Dr. Sun Yat-sen with the reorganization of the KMT.

"Sun Yat-sen, in the depths of despair, came across the October Revolution and the CPC. He welcomed the October Revolution, welcomed Russian aid to the Chinese, and welcomed the cooperation of the CPC." ("Selected Works of Mao Zedong," Vol 4, p 1408)

He even personally officiated at the ceremony for initiating Li Dazhao and other CPC members into the KMT and told them: "You can feel free to be a member of the third international on one hand and to join our party to help me on the other." One's character is tested in a crisis. Dr. Sun Yat-sen had unlimited faith in the communists, made them cadres at the KMT headquarters, appointed them members of the reorganization committee, which was responsible for reorganization, and members of the provisional Central Executive Committee of the KMT, and entrusted them with the tasks of playing a part in drafting the declaration of the First KMT National Congress, the party's program, and the draft party Constitution, of registering the party branches in various parts of the country, and of building instruction centers to train cadres. The communists wholeheartedly helped Dr. Sun Yat-sen. In this way, with full cooperation between the Chinese Communists and Dr. Sun Yat-sen and his faithful followers, political, ideological, and organizational preparations were made for the convening of the First KMT National Congress and for the institution of cooperation between the KMT and the CPC.

II

The First KMT National Congress was ceremoniously convened in Guangzhou from 20 to 30 January 1924. Delegates from various parts of the country and Overseas Chinese, 156 people in all, attended the congress. Noted communists such as Li Dazhao, Mao Zedong, Tan Pingshan, Qu Qiubai, and Lin Zuhuan were also delegates. Li Dazhao was one of the five members of the congress presidium. In addition, the inspection committees responsible for the declaration, party affairs, and party Constitution had communists as their members. Dr. Sun Yat-sen chaired the congress in the capacity of president of the KMT. He summarized the central tasks as "studying anew the present situation of the country, reinterpreting the three people's principles, and reorganizing the whole KMT." Tan Pingshan made a report on behalf of the provisional Central Executive Committee. After sincere discussions and heated debates, the delegates to the congress unanimously approved the "Declaration of the First KMT National Congress," the "General Constitution of the KMT," and so on. Finally, the members of the Central Executive Committee and the Control Committee were elected. Ten communists, including Li Dazhao, Tan Pingshan, Mao Zedong, Qu Qiubai, and Lin Zuhuan were elected either members or alternate members of the Central Executive Committee. With the joint efforts made by the communists and the left-wing KMT members, the congress had satisfactorily accomplished its tasks.

The most important documents approved by the congress was the "Declaration of the First KMT National Congress." Dr. Sun Yat-sen said: "This document is the spiritual life of this congress." The declaration correctly analyzed China's national conditions and set forth the program of the democratic revolution with the overthrowing of the imperialists and the governments of the northern warlords they manipulated as its goal of struggle. The declaration firmly established the three important policies of allying with Russia, allying with the CPC, and supporting the workers and peasants, and reinterpreted the three people's principles. Nationalism was defined as "the Chinese nation's striving for liberation on the one hand and equality among various nationalities within the boundaries of China on the other." The declaration specially emphasized that "nationalism is a perfect form of anti-imperialism. The declaration also emphasized that the "majority of the people including the intellectuals, peasants, workers, and merchants are in fact the force" backing the liberation of the Chinese nation and that the KMT "should strive to support the organizations formed by the common people of China in order to give full play to the abilities of the people." This enabled nationalism to have a well-defined new objective as well as to contain a new content about various social strata.

Democracy [one of the three people's principles, sometimes known as the principle of people's rights] emphasized its "departure from the so-called 'natural rights' and it only seeks the things which are capable of meeting the needs of the present Chinese revolution" and it clearly stipulated that state power "is shared by all common people, that only those individual and organizations who sincerely combated the warlords and imperialism were entitled to enjoy freedom and all rights," and that those "who betray their country and maltreat the people in order to be loyal to the imperialists and the warlords" should be deprived of their freedom and rights; that is, it closely combined a democratic policy toward the people with the exercising of despotic dictatorship over the enemy.

The principle of the people's livelihood emphasized, in addition to the "equalization of land rights" and the "restriction of private capital," the need to "revolt against the privileged classes which harm the peasants and workers in order to seek their liberation." It also stipulated that "there is the need to give full support to the movements launched by the peasants and workers, to help them launch the movements with their full strength, and to give help to their economic organizations, so that they can become better and better developed in order to enhance the strength of the national revolutionary movement." The declaration stated: "Here is the true interpretation of the KMT's three people's principles." Comrade Mao Zedong said: "The three people's principles comprising the three great policies -- in other words, the revolutionary, new, and genuine three people's principles -- are the three people's principles of new democracy, a development of the old three people's principles, a great contribution by Dr. Sun Yat-sen, and a product of the era in which the Chinese revolution has become part of the world socialist revolution." ("On New Democracy") By putting forward the new three people's principles, the KMT had a set of principles capable of meeting the demands of the people and the times and a unified theory and objective in its reorganization. Thus, the release of the declaration was the most important achievement of the congress.

The congress resolved to admit the members of the CPC and the Socialist Youth League into the KMT as individuals, to recruit more members from among the peasants and workers through unremitting efforts, to, in the course of the reorganization of the KMT, eliminate resolutely through selection adulterators and counterrevolutionaries and admit revolutionaries into the party, and to rectify all levels of organizations and strengthen discipline. Organizationally, all these resolutions ensured that the KMT would be transformed into a highly disciplined new revolutionary political party which had unity of action and aspiration from an undisciplined old political party which could not easily centralize its power and which had no unity of action. This congress indicated that the KMT had developed into a united front organization with the form of an alliance of workers, peasants, and the national bourgeoisie. Only this kind of organization could bring about the accomplishment of the objectives of the national revolution which Dr. Sun Yat-sen had yearned for day and night for many years.

III

The complete success of the First KMT National Congress immediately made a tremendous impact on society and gave impetus to the vigorous development of the Chinese revolution.

The KMT after reorganization acquired new ideological, political, and organizational vitality. In the central headquarters of the reorganized KMT two communists, Tan Pingshan and Lin Zuhan, were the directors of the organization and peasants departments. Later, Mao Zedong also became the acting director of the propaganda department and most of the secretaries of the departments responsible for daily work were communists. The infusion of new blood into the central leading organs had given the KMT an exuberant vitality which was previously absent. Principally as a result of the work of the communists, KMT organizations were speedily established and rapidly developed in various provinces.

Many revolutionary young people, workers, and peasants joined the KMT. The number of party members increased sharply and there were important changes in its composition. By the end of 1926, in Guangdong alone, there had been about 183,000 KMT members, of whom 40 percent were peasants. Workers and students each constituted 25 percent. Since the founding of the Tung-Meng Hui, 20 years elapsed. However, only after this reorganization was Dr. Sun Yat-sen able to see that the party he had founded on his own could really begin to change into a new revolutionary combat force of a broad mass basis which held high the anti-imperialist banner and which enthusiastically and resolutely greeted the new year. That was precisely an important condition for the great revolutionary upsurge.

At the suggestion of the CPC and the international proletariat and with their help, at the "First KMT National Congress," Dr. Sun Yat-sen formally announced the establishment of the Whampoa Military Academy, with the purpose of training military and political cadres in this modern revolutionary military academy. Dr. Sun Yat-sen's "military career" can be traced back to the 1885 Guangzhou Uprising. However, it was not until the materialization of cooperation between the KMT and the CPC that he was able to organize an army with a new system and a set of principles as its guarantees. In the army, there were party representatives and a political department. This new system enabled the army to present a completely new appearance. The officers, men, army, and people gradually became united and were imbued with a revolutionary spirit of courageously forging ahead. The formation of a revolutionary backbone armed force ensured victories in the battles fought in Guangdong and in the northern expedition.

The reorganization of the KMT and cooperation between the KMT and the CPC gave direct impetus to the development of labor, peasantry, youth, and women's movements. In May 1925, the second National Laborers' Congress was held in Guangzhou. About 550,000 organized laborers sent representatives to the congress, thus displaying the new strength of the proletariat. With the May 30th Movement, the Guangzhou-Hong Kong general strike, and the three armed uprisings staged by Shanghai's workers, the tide of the struggle waged by the working class became higher and higher. The Guangdong Peasant Association was founded in May 1925. In the summer of 1927 peasant associations were successively established in Hunan, Hubei, Jiangxi, Henan, and other provinces, and the country's peasant associations had more than 10 million members. In the past, in carrying on the national revolution, Dr. Sun Yat-sen had not established close ties with the broad masses of peasants and workers. After the "First KMT National Congress," as a result of the participation of the communists and their arduous work, in a matter of 2 or 3 years, the situation had completely changed. This provided the victorious development of the great revolution with an extremely solid mass basis.

The mighty torrent of the revolution rushed downstream with great momentum. In 1924 and 1925, by mopping up the counterrevolutionary forces within the boundaries of Guangdong, the revolutionary base in Guangdong was consolidated and strengthened. As a result of the victorious northern expedition in 1926 and 1927, we occupied the greater part of the Huang He and Chang Jiang river valleys. In an extremely short time, an unprecedentedly great struggle in Chinese history for the liberation of the people had been started. All of China resounded with the song "Down With the Powers, Eliminate the Warlords." In a matter of 2 or 3 years, great success was achieved in the revolutionary cause to which Dr. Sun Yat-sen had devoted 40 years' efforts without success. The practice of the revolution fully confirmed the correctness of the three important policies of allying with Russia, allying with the communists, and supporting the peasants and workers, and the unparalleled power of cooperation between the KMT and the CPC and of the revolutionary united front formed by people of various quarters.

IV

History has always progressed along a winding course. However, precisely from a winding course can people readily draw valuable lessons through comparison. The First KMT National Congress and the historical changes it underwent later left people with many experiences and lessons worthy of being kept in mind forever.

The communists advocated cooperation with the KMT on the basis of the needs of the people and the revolution. They were totally open, aboveboard, and sincere. At the "First KMT National Congress," Li Dazhao stated: "We join the party for the purpose of making contributions to the party and thus to the cause of the national revolution." History has fully proven that only the Chinese Communists were the true comrades-in-arms of all those KMT members who were faithful to the ideals in Dr. Sun Yat-sen's revolutionary three people's principles. At that time, only as a result of the ideological assistance received by the KMT from the communists was the KMT able to develop the three people's principles, and precisely through complete organizational cooperation with the communists was it able to build a huge organization, broaden its influence among the masses of workers and peasants, and give itself a new vitality. After the right-wing force inside the KMT had discarded the revolutionary three people's principles, it was precisely the CPC who had adhered to and enforced the policies which were in line with the revolutionary spirit of Dr. Sun Yat-sen's new three people's principles. "Not a day has passed without the Communist Party conducting struggle against imperialism, which means the thorough application of the principle of nationalism; the worker-peasant democratic dictatorship is nothing but the thorough application of the principle of democracy; the agrarian revolution is the thorough application of the principle of people's livelihood." ("Selected Works of Mao Zedong," Vol 2, p 357)

On the basis of the principles of Marxism-Leninism, the CPC adhered to and developed the program expounded in the "Declaration of the First KMT National Congress." Thus, in the 1930's, when enemy troops pressed on to the border and when the whole country was confronted with a grave national crisis, its timely advocacy of the establishment of an anti-Japanese national united front gave impetus to the institution of the second cooperation between the KMT and the CPC and accomplished the great cause of saving the country by resisting the Japanese. After the KMT authorities caused the cooperation between the KMT and the CPC to break up a second time, again it was the CPC which led the broad masses of people to win the victory of the democratic revolution and to realize Dr. Sun Yat-sen's unrealized ideals. All unbiased people will respect this fact.

To be sure, in the early 1920's, in China, the Communist Party, Marx, the new democratic revolution, and the cooperation between the KMT and the CPC were all new things. Thus, the counterrevolutionaries capitalized on the fact that people were still not familiar with all these things in achieving their treacherous purposes. When cooperation between the KMT and the CPC and the reorganization of the KMT were still only on paper, the right-wing KMT members were opposed to them and falsely charged that the communists' joining the KMT was but a conspiracy. At the "First KMT National Congress," they proposed that people "should not be permitted to be members of both parties at the same time" in an attempt to disrupt the cooperation between the KMT and the CPC. What was remarkable about Dr. Sun Yat-sen was that, as a great patriot and revolutionary, he had great foresight. Having clearly seen that the communists were a reliable ally in realizing his ideals, he made up his mind, permitted no turning back, brushed off all slander, and took his decisive historical step. It was precisely Dr. Sun Yat-sen's firm stand and clear-cut attitude which made indelible contributions to ensuring the success of the congress and the institution of the cooperation between the KMT and the CPC. Dr. Sun Yat-sen was really an intimate friend of the communists.

Through the practice of long-term cooperation, all those KMT members who were faithful to the ideals of Dr. Sun Yat-sen's revolutionary three people's principles generally acknowledged that only the Chinese Communists were truly their comrades-in-arms. At first, many left-wing KMT members, including Soong Ching Ling and He Xiangning, were not communists but faithful adherents to Dr. Sun Yat-sen's three people's principles. However, in the winding course of the development of history, they gradually realized the objective laws governing the development of history and they closely cooperated and worked with the CPC all along. Side-by-side they had taken the road of the democratic revolution. In addition, they fought side by side in the socialist revolution and socialist construction. On her deathbed, Soong Ching Ling had her long-cherished wish come true by joining the CPC, thus becoming a glorious member of the vanguard of China's working class. Their actual actions and understanding reflected the correct knowledge of the theory and practice of the CPC acquired by the faithful successors to Sun Yat-sen.

The two instances of the cooperation between the KMT and the CPC in the past were disrupted. However, history has irrefutably shown that to discard Dr. Sun Yat-sen's revolutionary three people's principles and to disrupt the cooperative relations is not only unfavorable for the development of the cause of the revolution and the revitalization of the Chinese nation but in the end also disadvantageous to those who go against the trend of the times. Does not this kind of historical lessons call for deep thought?

Dr. Sun Yat-sen wrote the following lines: "The trend of the world is extremely powerful. Those who comply with it flourish and those who go against it perish." At present, hundreds of millions of Chinese people are striving to bring about the accomplishment of the great cause of the unification of the motherland and the revitalization of China. History is calling for the third cooperation between the KMT and the CPC. This is the trend of the times and the desire of the people. At the meeting held by people from various quarters of the capital to commemorate the 70th anniversary of the 1911 revolution, Comrade Hu Yaobang earnestly pointed out: "In history, the KMT has twice cooperated with the CPC. These two instances of cooperation accomplished the great causes of the northern expedition and the war of resistance against Japan and vigorously enabled the Chinese nation to progress. At present, why can we not bring about the third cooperation between the KMT and CPC for the purpose of building a unified country?" The forerunners have set examples and opened up a new path for their posterity to follow and advance. Their successors should continue to advance and carry forward what they have done. To give impetus to the third cooperation between the KMT and the CPC, to accomplish as soon as possible the great causes of the unification of the motherland and the revitalization of China, and to be worthy of the mission entrusted to us by history would be the best way to commemorate the First KMT National Congress.

YU QIULI LAUDS SHANXI PEOPLE-ARMY ACTIVITIES

OW250315 Beijing XINHUA Domestic Service in Chinese 0748 GMT 24 Jan 84

[By reporters Zhou Zemin and Ye Xuelin]

[Excerpts] Taiyuan, 24 Jan (XINHUA) -- The people of Linfen Prefecture, Shanxi, and commanders and fighters of a certain Beijing PLA unit guarding China's northern border have carried out various activities, on the one hand, to "help PLA fighters feel at ease while serving the nation," and on the other, to "let kinsmen in their hometowns have nothing to worry about."

More than 50,000 militiamen have formed some 15,000 "teams for helping comrades-in-arms" in enthusiastically carrying out activities in various villages at the foot of Luliang Shan and along Fen He. They have shown concern for the well-being of their comrades-in-arms in the army, and helped military dependents overcome difficulties in production and livelihood and become well-to-do by working hard.

A new general mood prevails in society in rural and urban areas of southern Shanxi; people regard joining military service to guard the nation as an honor and activities to support the army, love the nation and help military dependents as glory.

Yu Qiuli, director of the PLA General Political Department; Commander Qin Jiwei and Political Commissar Fu Chongbi of the Beijing PLA Units; and the departments concerned under the State Council attach great importance to and speak highly of these activities. They point out: These activities are a new event imbued with communist ideas, a development and a creation in doing the work of supporting the army and giving preferential treatment to military dependents under the new historical conditions and a vivid demonstration of armymen and people joining efforts in building an iron-clad Great Wall. They not only constitute a great support and encouragement to army building, but also play a significant role in enhancing ties between the army and the government and between the army and the people, in strengthening unity and promoting mutual assistance among men, and in developing spiritual civilization in the whole society.

On the eve of the Spring Festival, such activities prevailed throughout the province of Shanxi. They first started in Xixian County in the spring of 1982. They gradually became popular throughout Linfen Prefecture. A certain Beijing PLA unit, many of whose fighters originally came from Xixian County, Shanxi, has extensively developed various activities to "let kinsmen in their hometowns have nothing to worry about." Taking Xixian County's advanced deeds in loving the nation and supporting the army as teaching material, it has combined army education with society and family education, and whipped up the fighters' revolutionary enthusiasm in safeguarding the nation and making even greater contributions for the people. The fighters said: Our hometown has done its utmost for us. We must try our best to serve the nation. In the next 2 years none of the fighters who joined the army in Xixian County have requested to be allowed to visit their homes or to be released from military service because of family difficulties. None of them has felt uneasy serving in the army even after their term has expired. More than 90 percent of them have received awards or rendered meritorious services. Many of them have become outstanding CYL members, pacesetters in promoting spiritual civilization and sharpshooters. Many fighters have also written letters for family members, asking them to take the general situation into consideration, pay attention to their style of work, rely on their own efforts in pursuing their cause and shift less of their burdens to the government or to other people.

At present various activities of "helping PLA fighters feel at ease while serving the nation" and "letting kinsmen in their hometowns have nothing to worry about" are being vigorously developed in close connection with the joint efforts made by armymen and the people promoting spiritual civilization. They are continuously helping to improve the general mood of the entire society.

COLLEGE GRADUATES UNDERGO MILITARY TRAINING

OW231144 Beijing XINHUA in English 1126 GMT 23 Jan 84

[Text] Beijing, January 23 (XINHUA) -- More than 2,000 college graduates are now undergoing military training in China's 23 military schools and colleges, sources close to headquarters of the General Staff of the Chinese People's Liberation Army said here today. The students, the first of its kind assigned by the state to the Army, will be named officers after a year of study. The majority are between 20 and 30 years of age. China's State Council and the Military Commission of the Chinese Communist Party Central Committee began admitting college graduates to military schools in 1983.

ANHUI CPC EXPELS FOLLOWERS OF JIANG QING

OW230638 Hefei Anhui Provincial Service in Mandarin 1100 GMT 21 Jan 84

[Text] According to ANHUI RIBAO, while organizing large numbers of party members to conscientiously study the documents on party rectification, the Anhui Provincial CPC Committee has resolutely implemented the principle of simultaneously carrying out reforms and party rectification. After a serious study of some major cases which were not completely settled in past investigations, the provincial CPC Committee has decided to deal sternly with Guo Hongjie, Wu Congshu, Li Dingshan, and (Liang Shoufu) by expelling them from the party. During the Cultural Revolution, the four rose to prominence by closely following Lin Biao, Jiang Qing and their ilk, indulged in beating, smashing and looting and formed factions and cliques to commit evil, doing serious damage to the cause of the party and the people.

Guo Hongjie, former secretary of the Guozhuang Brigade Party Branch of the (Makou) Commune, Xiaoxian County, rose to prominence during the Cultural Revolution. He successively filled important posts as first secretary of the Xiaoxian County Party Committee, deputy secretary and then secretary of the provincial party committee, alternate member of the 9th CPC Central Committee, member of the 10th CPC Central Committee, and member of the 4th NPC Standing Committee. During that period, Guo Hongjie closely followed Lin Biao, Jiang Qing and their ilk, went all out to propagate their reactionary ideas, formed factions and cliques to commit evil, attacked and slandered proletarian revolutionaries of the older generation, denounced the four modernizations, established ties with key members of the Jiang Qing counterrevolutionary clique in Shanghai, and obtained material from the latter with which to vilify proletarian revolutionaries of the older generation. At various meetings, he went all out to instigate people to ferret out democrats and capitalist roaders and to it hard at and persecute veteran cadres. In the name of rectifying incorrect styles of work, he retaliated against those cadres and people who had criticized him, causing grave consequences.

After the downfall of the gang of four, he still obstinately refused to correct his mistakes. With the approval of the CPC Central Committee, he was removed from all his posts both inside and outside the party, in December 1977 pending further investigation. In March 1980, he was sentenced to 3 years of reeducation through labor. After studying his case, the provincial party committee has now decided to expel him from the party.

Wu Congshu, former worker of the machine building general plant of the (Tonglan) Non-ferrous Metals Corporation, was a leader of the plant's rebels in the Cultural Revolution. Seizing power from the plant leadership, he moved up to the position of vice chairman of the plant revolutionary committee. He instigated and took part in incidents in which participants resorted to violence. Thus, he later served as chairman of the provincial federation of trade unions, Standing Committee member of the provincial CPC Committee, director of the provincial CPC Committee Organization Department, leader of the party core group of the provincial Public Security Bureau, first deputy commander of the provincial militia command, delegate to the 9th CPC National Congress, alternate member of the 10th CPC Central Committee, and member of the 4th NPC Standing Committee.

Closely following the Lin Biao and Jiang Qing counterrevolutionary cliques, he committed many evils. He attacked and slandered proletarian revolutionaries of the older generation and attacked and persecuted a number of veteran cadres as democrats or capitalist roaders. At the same time, he promoted a large number of rebel leaders and persons with serious problems to important positions.

After the downfall of the gang of four, he persisted in holding so-called experience-exchange meetings and continued to engage in rush promoting of cadres, to ferret out democrats and capitalist-roaders and to exclude and hit hard at veteran cadres. With the approval of the party Central Committee, he was removed from his posts pending further investigation. After studying his case, the provincial CPC Committee has now decided to dismiss him from all his posts and to expel him from the party.

Raising the banner of rebellion, Li Dingshan, former worker of the Hefei Steel Works, organized rebels and formed factions and cliques, thus becoming one of the rebel leaders in the Hefei Steel Works in the initial stage of the Cultural Revolution. Later, he served as secretary of the Maanshan No 2 Steel Works CPC Committee, vice chairman of the provincial Planning Commission, Standing Committee member of the provincial CPC Committee and alternate member of both the 9th and 10th CPC Central Committees.

While engaging in rebellion and holding official positions, he plotted and took part in the seizure by force of weapons from the People's Armed Forces Department of the Hefei Steel Works and participated in the Feixi incident in which participants resorted to violence. Following the Jiang Qing counterrevolutionary clique, he regarded veteran cadres as enemies and clamored for killing capitalist-roaders. With the approval of the party Central Committee, he was removed from his posts pending further investigation. After studying his case, the provincial CPC Committee has now decided to dismiss him from all his posts and to expel him from the party.

At the beginning of the Cultural Revolution, (Liang Shoufu), a graduate of the Hefei Industrial University, class of 1966, established ties with those rising in rebellion and formed factions and cliques, thus becoming a major leader of the rebel organization in universities and middle schools in the Hefei area. He was a major leader of those who seized power from the provincial party committee and the provincial people's council on 26 January [year not given]. It was he who drafted and read out an announcement to seize power. Thus, the leadership of the party and government organizations was seized by rebels. He went all out to propagate the reactionary ideas of Lin Biao and the gang of four and to whip up factionalism. Later, he served as director of the provincial electronic industry department, deputy secretary of the department's party leading group, member of the provincial revolutionary committee, and member of the provincial party committee. Continuing to carrying out factionalist activities and following the gang of four, he attacked proletarian revolutionaries of the older generation. In October 1978, he was removed from his posts pending further investigation. After studying his case, the provincial CPC Committee has now decided to dismiss him from all his posts and to expel him from the party.

The provincial CPC Committee holds: In handling major cases, especially in sorting out the three types of persons, it is necessary to guard against perfunctoriness, refrain from handling such cases in an oversimplified way, avoid being soft on those involved, and not hesitate in handling such cases. Once the facts of a case are certified through investigation and the nature of the case is determined, it is necessary to handle the case promptly according to the relevant policy and rules set forth in the decision on party rectification in order to purify the party organization.

JIANGSU'S HAN PEIXIN VISITS HOSPITALIZED EDUCATOR

OW261114 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 24 Jan 84

[Excerpts] Twenty-six January marks the 91st birthday of Comrade Wu Yifang, China's outstanding woman educator, social activist and vice chairman of the Jiangsu Provincial CPPCC Committee. On 23 January the Jiangsu Provincial CPC Committee wrote a letter to extend her congratulations and cordial regards.

The letter stresses: We communists and the people will never forget an old comrade such as you who has contributed much to the people's cause. In conclusion the letter wishes Comrade Wu Yifang good health and longevity.

This letter was handed over to Comrade Wu Yifang by Comrade Han Peixin, secretary of the Jiangsu Provincial CPC Committee, and others when they visited her at the Gulou Hospital on the afternoon of 23 January.

JIANGSU URGES STOPPING CADRES' ABUSE OF POWER

OW221251 Nanjing Jiangsu provincial service in Mandarin 2300 GMT 20 Jan 84

[Station commentary: "Resolutely Stop the Evil Practice of Abusing Power To Do Business for Personal Profit"]

[Text] On the instruction of leading comrades at the central level, a central investigation group recently conducted in-depth investigations into the commercial activities carried out by some cadres, staff members, workers, and their dependents in (Kangzhuang), (Taiqiao), (Yangzhai), and (Yulin) towns of Xiangshui, Binhai, and Funing Counties in our province. The investigations have revealed a number of problems deserving our serious attention. At this time when the overall party rectification has just begun, the leading comrades at the central level have paid personal attention to this matter in such a timely and accurate manner. They have thus set an example for our province to follow in implementing the guideline on correcting mistakes in the course of or even before the commencement of party rectification.

With the popularization of the output-related contract system and the appearance of specialized households since the 3d Plenary Session of the 11th CPC Central Committee, individually run businesses have revived and developed in the countryside of our province. This is a good phenomenon. Individually run businesses in the countryside are playing a fairly good role in invigorating the economy, promoting the growth of production, facilitating the flow of goods, improving the economic structure, providing convenience for people's everyday life, and creating job opportunities. For this reason they should continually be developed in the future.

However, a few cadres, including party members, in the above-mentioned four towns have used the slogan of developing rural commerce as a pretext to seek personal gains by taking advantage of their positions and power to give special consideration to their relatives engaged in business. With regard to the issuance of business licenses, they have paid no attention to the applicants' qualifications, but used their positions and power and their special relationship with the authorities concerned to obtain business licenses for their relatives. They have disrupted the normal channels for wholesaling of commodities to seek personal gains at the cost of the public interest. Some have taken advantage of their positions and power to illegally buy urgently needed commodities for themselves in the name of their units and then sold the commodities for profit, thus disrupting the normal collective purchases. Still others have abused their power to pass their own business losses on to the supply and marketing cooperatives.

What is more, some cadres even have taken advantage of their positions and power to help their family members engage in speculation to make profits without using their own capital. And some even have resorted to various artifices to assist their relatives in tax evasion.

What merits our serious attention is that this kind of phenomenon of seeking personal gains by abusing power is not uncommon in villages and towns of our province. Such evil practice undermines the foundation of socialism, corrupts our cadres, spoils the work style of our commerce, people, and party, disrupts the proper implementation of the party's policy of invigorating the economy, and seriously harms the interests of both the state and the people. We should not ignore this evil practice which has appeared in the development of rural commerce, but should take resolute steps in the spirit of party rectification to check it so as to ensure that our economy will be properly enlivened.

Our cadres, especially those who are party members, have the obligation to work for the interests of the people whether their positions are high or low. They have no right at all to seek privileges or personal gains. Those who are obsessed by a decadent money-oriented ethic and who have become disoriented in the above mentioned evil practice are required to take resolute action to correct their mistakes in the course of party rectification or even before the commencement of party rectification in their units. They must make examinations and return the improperly earned money as necessary.

Leaders at various levels must put emphasis on rectifying, adjusting, and consolidating the supply and marketing cooperatives and the industrial and business tax departments, strengthen their leading bodies and administrative personnel, and improve their regulations and rules. They must also improve the political quality of the cadres, staff members, and workers by giving them more ideological education.

Commercial activities which seriously violate the law must be investigated and punished according to the law. Moreover, it is necessary to rectify the individually run businesses in accordance with the established policy. Dependents of cadres, staff members, and workers, especially party cadres' dependents who are doing business must be dealt with conscientiously according to the relevant policy established by the party. It is strictly demanded that they abide by the state laws and regulations governing commercial activities and do their utmost to serve the people. Leaders at all levels must strengthen their leadership and management of individually run businesses so that they will develop healthily along the socialist road.

HENAN CONFERENCE ON IMPROVING RURAL WORK

HK260545 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 25 Jan 84

[Summary] The provincial rural work conference, which concluded today, called on agriculture, forestry, sideline production, fishery, industry, and building construction to increase and improve their commodities. "This rural work conference was jointly held by the provincial CPC Committee and the provincial People's Government from 18 to 25 January to Zhengzhou. Leading comrades of the provincial CPC Committee and the provincial People's Government such as Liu Jie, Liu Zhengwei, He Zhukang, (Han Jingcao), and Hu Tingji made speeches at the conference." The comrades present at the conference studied the CPC Central Committee's 1984 No 1 document and made arrangements for developing commodity production and enlivening the rural economy.

In order to develop commodity production and to make the rural economy flourish, the conference suggested: "It is necessary to do things strictly according to natural and economic laws and to arm agriculture with advanced agricultural science and technology. It is necessary to pay further attention to grain production and to turn more grain into marketable commodities. It is necessary to eliminate the unfavorable factors and to strengthen the management of wheat fields in order to bring about a bumper harvest of summer grain crops and to increase the output of autumn grain by a large margin. It is necessary to increase appropriately the area of land for growing maize, sweet potatoes, and upland rice. The total annual grain output should not be less than 50 billion jin. Production of industrial crops should be vigorously developed according to state plans and the demands of society by suiting measures to local conditions. It is necessary to fix the area of land for growing cotton and to put tobacco production under control. Whether in growing grain crops or in growing industrial crops, it is necessary to improve their strains and quality and to increase the per unit area yield.

"In forestry, it is necessary to popularize Yu County's experience and to pay close attention to growing networks of trees surrounding the farmland on the plains, and to pay close attention to growing trees during the rainy season in the Taihang Shan areas in northern Henan and in the hilly loess areas in western Henan. It is necessary to do a good job of planting shelter forests in northern and eastern Henan and to study Luoyang Prefecture's experience in fixing three things in order to fulfill the province's task of fixing the three things in forestry."

In animal husbandry, it is necessary to pay close attention to fodder, raising fine breeds, epidemic prevention, raising pigs, and making improvements in fishery.

"In developing rural industry, it is necessary to get rid of the idea of relying on the country for funds and to adhere to the principle of the leading role of the collectives and individuals in running various forms of social insurance. Mobility of the rural labor force should be permitted within certain limits. It is necessary to establish information and advisory organs." In addition, it is also necessary to improve the peasants' scientific and technological knowledge.

"The conference pointed out: The perfection and stabilization of the system of contracted responsibilities with payment linked to output are the basis for improving the productive force and developing specialized commodity production. It is necessary to devote greater efforts to the work. Various parts of the province should pay close attention to strengthening land management, perfect the system of contracted responsibilities for land, make the contracts cover longer periods, and let the contractors enjoy a greater share of the outputs."

In addition, it is also necessary to give greater support to the specialized households, for they are the advanced in building socialism in the rural areas.

"The conference called on the leading cadres in various localities to pay close attention to circulation in promoting production and not to pay attention to production only and neglect circulation. They should adhere to the principle of the leading role of the planned economy and the supplementary role of market regulation. The state, collective, and individuals should work side by side. It is necessary to reform the commercial system, to acquire an idea of systematic business management, and to strive to make a success of the rural economic cooperatives. It is necessary to be open in running businesses and to adjust the policy of encouraging sales. It is necessary to vigorously build market towns around the cities, to enliven circulation by linking the rural areas to the cities, to solve properly the problems of storage and transportation, to popularize vigorously the contract system, to handle in a concerted manner the economic relations between the economic cooperatives and other departments, and to pay attention and attach importance to giving play to the role played by the economic units under the economic cooperatives."

The conference emphasized that party committees and people's governments at all levels should strengthen the leadership over rural work and that all industries and trades should proceed from the strategic objectives put forward by the 12th CPC National Congress and conscientiously subordinate their business and work to the party's general line and principles. The conference also called for greater efforts to be devoted to family planning work and to publicizing the CPC Central Committee's No 1 document.

"The conference called on the counties to immediately organize forces to relay the spirit of the document to the masses before the Spring Festival. After the Spring Festival, they should organize the cadres of the departments at all levels to study it in earnest and to train a backbone force. Afterwards, they should adopt various measures to implement it among the masses."

HENAN 1983 AGRICULTURE AT 'UNPRECEDENTED' LEVEL

HK261300 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 23 Jan 84

[Text] According to the conference on rural work which was convened by the provincial CPC Committee and the provincial government, the province's agriculture changed from one stage to another in 1983, and this pillar of the national economy has become unprecedentedly solid. In addition, the driving force which it generates on the whole national economy, as well as the superstructure, is stronger than ever.

Under the guidance of the document No 1 issued by the CPC Central Committee in 1983, the rural areas throughout the province have undergone encouraging changes. The changes in the rural economy were made phase by phase. The first outstanding characteristic is that both mountainous and plains areas increased production, and the province reaped bumper harvests in both summer and autumn. High production areas made new strides, while medium-level production areas made large-scale development.

The province's agricultural output reached an all-time high and made four breakthroughs, that is, the gross grain production output broke through the 50 billion jin level, and reached about 56.1 billion jin; the annual increase broke through the 11 billion jin level, and reached 11.6 billion jin; grain procurement broke through the 11 billion jin level, and reached 12.1 billion jin; and the gross cotton production output broke through the 10 million dan level, and reached over 12 million dan.

Forestry production made remarkable achievements. Yu County was praised by the central leading comrades as it grew seedlings, planted trees, and planted tree belts on farmland within a year, creating a new way for afforestation in plains areas. The gross production value of the province's commune and brigade enterprises reached over 4.2 billion yuan for the first time. It is expected that the gross agricultural output value exceeded 19 billion yuan, and the average income of peasants reached 273 yuan. These achievements and the amazing scale of increase were unexpected.

An even more encouraging achievement of the province in 1983, which was marked by changes from one stage to another, is that rural commodity production was vigorously developed on an unprecedented scale. On the basis that the contracted production responsibility system was continuously stabilized and perfected, and that the standard of living was continuously improved, the peasants exercised their own decisionmaking power in production and management. They actively invested their surplus funds and labor in diversified management, and worked hard to develop the range and quality of production, so that the commodity production of agriculture, forestry, animal husbandry, sideline products, and fishery took on a new face. Exploitative production also made remarkable development. The four main mountainous areas, that is, Taihang, Funiu, Dabie, and Tongbai, started to frequently attach importance to mountains and rivers, growing grass and trees, and raising cattle and horses.

The sandy wasteland, saline-alkaline soil, and abandoned and old pits and dikes on the Huang-Huai plain are being transformed and utilized. Through the planning of crop arrangements and the readjustment of agricultural structure, not only did grain production increase sharply but output of cotton, peanuts, walnuts, paulownia, and livestock also made rather rapid development. The skillful craftsmen in the rural areas jointly took action with the able people who have a good grasp of management and took the lead in engaging in specialized commodity production. Thus, they quickly became rich through hard work, a situation longed for by the peasant masses.

At present, the specialized households, key households, and peasant households which have joined the new economic combines in the province account for more than 15 percent of the total peasant households. Hence, a number of specialized villages, specialized brigades, specialized counties, and small-scale household farms are emerging. The peasant masses who only paid attention to their tillage, thought only about personal interests, and had been in the state of self-sufficiency and semi-self-sufficiency over a long period in the past are now vigorously striding into the ranks of commodity production.

Another outstanding characteristic in 1983, which was marked by changes from one stage to another, is that all localities throughout the province widely established rural economic cooperatives. After the establishment of this new economic organization, in accordance with the actual conditions for developing commodity production, they actively and boldly carried out reform, and improved the old ways which were unsuitable for commodity production in economic work. They worked to explore new ways and new methods favorable to the development of commodity production. Thus, they play the role of frameworks while closely linking production and circulation. They practice multi-level systematic management, do well in providing comprehensive services, and improve economic results. Therefore, they are widely welcomed by the peasants.

The participating comrades analyzed the fine situation and the new problems that have emerged. They resolved to conscientiously study and implement the document No 1 of the CPC Central Committee in 1984.

Proceeding from the basic view of Marxism, that is, developing the social productive forces; proceeding from the requirement of large-scale development of rural commodity production; and proceeding from the ways to build socialism with Chinese characteristics, they will try by every means to do well in the work of transforming the unfavorable factors, and solve in a down-to-earth manner all problems which emerge in progress, so that the vigorous rural economy will be further pushed forward.

HUBEI'S GUAN GUANGFU VIEWS PARTY RECTIFICATION

HK261325 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 25 Jan 84

[Text] On the mornings of 23 and 24 January, the provincial CPC Committee invited non-party personages to a forum to solicit their opinions on the province's all-round party rectification. Guan Guangfu, Wang Quanguo, Huang Zhizhen, Shen Yinluo, Wang Qun, Qian Yunlu, and Li Haizhong, responsible comrades of the provincial CPC Committee; (Xu Daoqi), director of the provincial Advisory Committee; (Hu Hengshan), secretary for the provincial CPC Planning Committee; Tao Yang, director of the provincial CPC United Front Work Department; and responsible persons of the provincial CPC Party Rectification Office, attended the forum.

Tao Shuzeng, (Liu Shuhe), (Xian Xijie), (Zhang Shuozhai), (Kang Xingqian), (Mao Yongning), (Li Chonghuai), (Zhao Houpu), and (Ma Tongjin), responsible persons of the provincial Revolutionary Committee of the Chinese KMT, the provincial China Democratic League, the provincial Chinese Peasants and Workers Democratic Party, the provincial Taiwan Democratic Self-Government League, the provincial Taiwan Democratic Association, the provincial China Democratic National Construction Preparatory Association, and the provincial Federation of Industry and Commerce; Sun Yaohua, nonparty personage and vice chairman of the provincial CPPCC Committee; Wang Zhizhuo, nonparty personage and vice chairman of the provincial People's Congress; and (Tu Jiancheng), (Xie Zhi), and other nonparty personages at the provincial and city departmental and bureau levels, attended the forum.

The forum was chaired by Wang Quanguo, deputy secretary of the provincial CPC Committee. He briefed the nonparty personages attending the forum on the preparations for all-round party rectification made by the provincial CPC Committee since the 2d Plenary Session of the 12th CPC Central Committee and on the arrangements made by the provincial CPC Committee for party rectification in organs affiliated to the provincial CPC committee.

He said: Democratic party personages and personages with no party affiliation are our party's old comrades in arms who have worked and carried out struggle together with our party with the attitude of treating each other with sincerity and sharing both good fortune and bad. Now that all-round party rectification has started in our province, we welcome your criticism on our work and work style. Please air your opinions to the full and help us with our party rectification.

The 17 nonparty personages attending the forum spoke enthusiastically. They said: It has been the consistent tradition of the Communist Party to solicit the opinions of democratic party personages and personages with no party affiliation. We are deeply moved by being able to attend the forum held by the provincial CPC Committee. This is an important manifestation of preventing party rectification from being carried out in a perfunctory manner.

Many people said: With regard to the Communist Party's party rectification, we must adopt the attitude of sharing weal and woe and sharing both good fortune and bad. Democratic parties must conscientiously study the relevant documents and take an active part in party rectification.

They must say all they know without reserve and help the provincial CPC Committee carry out party rectification well.

The participants aired their opinions in an honest manner on how to carry out well party rectification. Some nonparty participants criticized the Wuchang restaurant, which provided very bad service because the department concerned directly under the provincial authorities did not have a profound work style and were lax in management. This aroused strong repercussions among the participants. Upon hearing this, a responsible comrade of the provincial CPC Committee immediately instructed the reception office of the provincial government to send persons to investigate and solve the problem. He also instructed the newspapers to send reporters to the restaurant and report the news. The nonparty participants highly appreciated the work style of correcting mistakes while carrying out party rectification and of correcting a mistake immediately after it is discovered.

Provincial CPC Committee Secretary Guan Guangfu addressed the forum before its closing, fully affirming and highly appreciating the sincere suggestions put forward by nonparty personages on the province's party rectification. With regard to these suggestions, he made known the attitude the provincial CPC Committee would adopt. He said: The provincial CPC Committee is firmly determined to carry out the province's all-round party rectification well. After this forum, the provincial CPC Committee will sort out your suggestions and opinions and conscientiously study them. Mistakes for which the provincial CPC Committee is responsible will certainly be corrected by the provincial CPC committee, and the provincial CPC Committee will urge the departments concerned to correct the mistakes for which they are responsible. In the course of party rectification, the provincial CPC Committee will brief all democratic parties on the progress of the province's party rectification, on what has been and has not been rectified, and on matters which need to be explained.

Comrade Guan Guanfu also discussed the problem of how to bring into play the role of the province's democratic parties. He said that the provincial CPC Committee will frequently hold such forums to discuss the province's important matters and that the province will strive to blaze a new trail in its work so as to enable the province's four modernizations to stand in the forefront of the country's four modernizations.

HUNAN PAPER STRESSES CONTROLLING POPULATION

HK261402 Changsha Hunan Provincial Service in Mandarin 2310 GMT 25 Jan 84

[Text] HUNAN RENKOU BAO [HUNAN POPULATION JOURNAL] yesterday [25 January] carried a letter written by the provincial Family Planning Commission to all comrades engaged in family planning work in the province, extending regards to them. The letter pointed out that according to demands in the plan for 1984, the province's natural population growth rate is required to drop to 10.5 percent or even 10 percent if possible. It also demanded that the single child birth rate and the late marriage rate should reach 80 percent. It is absolutely impermissible for one couple to have more than two children. In order to fulfill the above tasks in the year, all comrades engaged in family planning work are required, under the leadership of party committees and governments at various levels, to carry out the following:

1. They must continue to resolutely implement the CPC Central Committee policy on birth control, that is, one couple having only one child, strict control on one couple having two children, and resolutely put an end to the phenomenon that one couple has more than two children. They must take the lead in giving publicity and carrying out family planning and combine regular work with rush jobs and gradually put regular work first.

2. They must thoroughly launch a publicity drive in close connection with reality, carry out propaganda work and conduct education at various levels centered on calculating figures and making comparison.
3. They must adhere to putting first birth control using contraceptive measures and earnestly implement various birth control policies, in line with local conditions and different persons, and do their utmost to avoid accidents.

HUNAN REPORTS ACHIEVEMENTS IN SECURITY WORK

HK210512 Changsha Hunan Provincial Service in Mandarin 1100 GMT 19 Jan 84

[Text] In 1983, the province's cadres and policemen of political and legal departments and public security bureaus resolutely implemented the directive of the CPC Central Committee on severely hitting at crime, making great contributions to protecting the interests of the people. Over 600 cadres and policemen were commended and awarded and over 4,760 cadres and policemen as well as 159 units were commended by local CPC committees and governments.

In the struggle of severely hitting at crime, the cadres and policemen of political and legal departments and public security bureaus feared neither death nor hardship, displaying a high level of political consciousness and vigorous combat spirit. Some veteran comrades joined the struggle regardless of their weak bodies and poor health. Some young policemen repeatedly postponed their wedding day and home leave. Many public security armed policemen sustained honorable wounds in brave fights in the process of arresting criminals and preventing the violation of law and crimes. Some comrades even gave their precious lives. (Chen Xiunan), head of the (Suxinling) police substation of the Chenzhou City Public Security Bureau, was fearless in the effort to thwart crime when facing four murderers armed with kitchen knives and clubs, but he heroically gave his life after a tenacious struggle with them.

In the struggle, many cadres and policemen of political and legal departments and public security bureaus place the interests of the people above everything, thus bringing about many stirring deeds in placing uprightness above family loyalty and handling cases impartially. A son of (Fu Shandu), deputy political instructor of the (Maoqian) police substation, Yiyang County, ran away after stealing over 5,000 yuan of materials from the state. Upon learning of this, (Fu Shandu) voluntarily asked the organization to send him to arrest his son. After 3 days of searching, he finally arrested his son in a relative's home in another county. He handed him over to the political and legal organization, which sentenced him to 12 years imprisonment according to law. Last year, 125 cadres and policemen in the province voluntarily reported crimes committed by their relatives or handed over their sons and daughters for punishment by the law. Some 290 cadres and policemen refused to intercede for criminals or to take gifts. Thus, many criminals who pose a serious threat to social order were punished as severely as possible and as soon as possible.

YUNNAN CPC DISCUSSES SECOND STAGE RECTIFICATION

HK261312 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 24 Jan 84

[Text] The provincial CPC Committee yesterday [24 January] morning convened a conference for party members and secretaries of the party groups of departments, committees and offices; departments and bureaus directly under the provincial authorities, responsible comrades of guiding teams for party rectification of departments, committees, **offices, and bureaus**; and the entire body of comrades of liaison teams sent by the provincial CPC Committee Guiding Committee for Party Rectification Work. The conference was held to make arrangements and work out plans for the next stage of party rectification for all departments, committees, and offices; departments and bureaus directly under the provincial authorities, as well as organizations directly under the Kunming City authorities.

Leading comrades of the provincial CPC Committee, the Standing Committee of the provincial People's Congress, the provincial People's Government, the provincial Discipline Inspection Committee, and the provincial CPC Committee An Pingsheng, Li Qiming, Liu Minghui, Liang Jia, Pu Chaozhu, Zhao Tingguang, Liu Shusheng, Zhu Jiabi, (Qi Chao), (Li Xingwang), Zhu Zhihui, Yu Zuo, Liang Lin, Yu Huoli, (Zhang Zhimin), (Huang Xintian), Zhu Kui, Yan Yiguan, Li Guiying, Wang Lianbang, (Shao Feng), Dao Guodong, He Zhiqiang, and (Wang Chimin), attended the conference.

At the conference, Comrade Li Qiming delivered a speech. He first reviewed the situation of implementing party rectification work in the earlier stage among various departments, committees, and offices; departments, and bureaus directly under the provincial authorities, as well as various organizations directly under the Kunming City authorities. He said: After the mobilization of party rectification on 23 November last year, all units directly under the provincial authorities and organizations directly under the Kunming City authorities studied the documents on party rectification. Most of the units studied the documents in a down-to-earth manner, with the leaders taking the lead. They have understood the importance and urgency of party rectification, overcome some ideological barriers, heightened their consciousness in party rectification, and correctly got a good grasp of the basic principle, task, policy, and method of party rectification. In line with the principle of carrying out discussions while making corrections, and in connection with the housing problem and foreign exchange problem which cause most complaints among the masses, they measured themselves by the central standards, from the six main units directly under the provincial authorities down to various departments, committees, offices, and bureaus, as well as some institutions. They have corrected and clarified some problems, with the result that the party rectification work has made a good start. However, many units acted slowly and the leading cadres did not sit down to study seriously. Everyone should pay attention to this.

Then Comrade Li Qiming made arrangements and plans for the next stage of party rectification. He said: We must continue to correct various acts of taking advantage of one's office for personal gain, and oppose irresponsible bureaucratism. We must improve the party work style, which is an important issue that plays a very important role in the life or death of the party, and in the success or failure of the four modernizations. It is also an outstanding problem which is of concern to the people inside and outside the party. Therefore, we must first spend some time rectifying work style and correcting unhealthy practices. In the rectification of work style, we must continue to handle the housing problem and the foreign exchange problem. We must pay attention to the key problems and key units. Some units are facing more problems while the leadership of some units is rather weak.

Thus, the province has sent six liaison teams to help these units to carry out party rectification. The province also plans to send some more liaison teams. The various divisions should also emphatically grasp one or two units as their typical cases for guiding their work. In order to ensure that party rectification is not carried out superficially, the leadership should take the lead in measuring themselves against the central standards, and depend on the criticism and supervision of the masses. We should implement the principle of establishing links between the leadership and the masses. We must correctly carry out criticism and self-criticism, which is one of the three fine work styles of the party. But this fine work style was destroyed during the Cultural Revolution. Thus, we should properly implement the practice of criticism and self-criticism within the party through party rectification. We must strengthen the working groups for party rectification, and establish from the provincial level to the county level examination teams and working groups for people of three categories. The structure of the provincial CPC Committee Office for Party Rectification has to be strengthened, and so does its work. Leaders of various divisions and leaders of various units' leading groups for party rectification must take the lead and do the work personally. They must come to the front line of party rectification to join in the work and to lead the work, so that the party rectification work will be carried out in a vigorous and down-to-earth manner.

YUNNAN LEADERS ATTEND SPRING FESTIVAL SOIREE

HK270229 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 26 Jan 84

[Summary] The provincial government and the Kunming PLA units jointly held a Spring Festival soiree in Kunming last night. The function was attended by leading comrades of the party and government in Yunnan and Kunming An Pingsheng, Li Qiming, Liu Minghui, Liang Jia, Pu Chaozhu, Zhao Tingguang, Zhu Jiabi, Gao Zhiguo, (Li Xinwang), Zhu Zhihui, Yu Zuo, Liang Lin, Yu Huoli, (Zhang Zhiming), (Wang Xintian), and Zhu Kui; and by leading comrades of the Kunming PLA units Zhang Zhixiu, Xie Zhenhua, Chen Jiagui, and Shi Jingban. The participants exchanged Spring Festival greetings and resolved to further promote the drive to support the army and cherish the people in the new year.

GAO YANG ATTENDS HEBEI MILITARY DISTRICT FORUM

HK261100 Shijiazhuang HEBEI RIBAO in Chinese 15 Jan 84 p 1

[Report: "The Provincial Military District Holds a Meeting of Advanced Representatives in Building Spiritual Civilization"]

[Text] A meeting of advanced representatives in building socialist spiritual civilization was held by the provincial Military District. It centered on exchanging experience, commending the advanced, and discussing and studying how to further carry out the activities of building spiritual civilization, and opened on the morning of 15 January.

In typical speeches delivered on the first day, the deeds of some representatives evoked strong responses from among the participating comrades, in particular the deeds of Guo Fenglan, deputy political instructor of a people's militia company of Tanyaogou brigade in Chicheng County, and the experience of the Changxian County CPC Committee, government and People's Armed Forces Department which deeply moved people to tears.

Gao Yang, first secretary of the provincial CPC Committee and first political commissar of the provincial Military District, and Zhang Shuguang, provincial governor, earnestly listened to the typical speeches and highly valued them.

This meeting was held on the basis of great achievements made by the province's people's militia in building spiritual civilization and in a situation in which the spirit of the 2d Plenary Session of the 12th CPC Central Committee has seriously been carried out and party rectification has begun. The meeting was held after making full and serious preparations and some 480 advanced representatives attending the meeting were recommended and selected from below after repeated deliberations. The CPC Committee of the provincial Military District requested that all participating comrades implement the spirit of party rectification, to build up a good meeting style, and to carry out the following: 1) It is necessary to adopt a modest attitude in learning everything. All participating comrades must learn other's strong points to make up for their own weak ones and earnestly learn others' good ideas and experiences so as to further replenish themselves. 2) It is necessary to create an atmosphere of studying problems. In the process of study, everyone must emancipate their mind, use their brain, study problems, dare to air their views and put forth suggestions, analyze new problems arising in the activities of building spiritual civilization more thoroughly, and work out more practical measures and methods for resolving problems, so as to make meetings more lively and fruitful. 3) It is necessary to build up a noble style, to pay attention to unity, the overall situation, and civilization, and to build up a new style.

Fei Guozhu, political commissar of the provincial Military District, presided over the meeting. Zhang Zhenchuan, commander of the provincial Military District, delivered the opening speech.

JILIN'S QIANG XIAOCHU ADDRESSES CPC CONFERENCE

SK260641 Changchun Jilin Provincial Service in Mandarin 1030 GMT 25 Jan 84

[Text] The work conference of the provincial CPC Committee closed on the morning of 25 January in Changchun after a session of 5 and 1/2 days. Attending the conference were standing committee members of the provincial Advisory Committee chairman and vice party-member chairmen of the provincial People's Congress Standing Committee; deputy governors of the provincial People's Government; chairman and vice party-member chairmen of the provincial CPPCC Committee; secretaries and deputy secretaries of the provincial Discipline Inspection Committee; principle responsible comrades of the leading party groups of the provincial People's Court and Procuratorate; major responsible comrades of various departments and commissions under the provincial CPC Committee; major responsible comrades of various commissions under the provincial People's Congress; principle responsible comrades of various commissions, offices, departments, and bureaus under the provincial People's Government; major responsible comrades of the leading party groups of various people's organizations; secretaries of various prefectural and autonomous prefectural CPC committees; secretaries of the Changchun and Jilin City Agricultural Committees; and secretaries of various county, city, and district CPC committees. Two hundred and thirty people attended the conference.

Speaking at the conference were Qiang Xiaochu, first secretary of the provincial CPC Committee; and Zhang Gensheng, secretary of the provincial CPC Committee.

The conference summed up the 1983 provincial work, discussed and formulated the major points for the 1984 provincial CPC Committee work, and further heard the criticism and opinions of various localities and departments concerning the provincial CPC Committee's work.

The conference's participants unanimously maintained: It has been a lively and simple meeting. While looking back on the achievements scored in the 1983 work, we are greatly inspired; and while looking forward to the plans for the 1984 work, we believe these plans will be feasible. We are deeply touched by the provincial CPC Committee for its sincere and wholehearted acceptance of others' criticism and supervision.

The conference pointed out: The year 1983 was a colorful and extraordinary one as well as an inspiring and successful one. In 1983, the provincial economic situation was very good and the targets for industrial and agricultural production and for the national economy projected by the Sixth 5-Year Plan for 1985 were prefulfilled by 2 years. Under the Sixth 5-Year Plan, the gross agricultural output value in 1985 will come to 6.9 billion yuan, while, that in 1983 is estimated at 7.5 billion yuan. Under this plan, the 1985 gross grain output will reach 22 billion jin, while that in 1983 is estimated at 27.3 billion jin. This plan projected the 1985 gross industrial output value at 16.2 billion yuan. But, the 1983 gross industrial output value is estimated to be 16.43 billion yuan. The national income set by the plan for 1985 will be 10.8 billion yuan, but that achieved in 1983 was 12 billion yuan.

Insofar as agriculture is concerned, in 1983 the system of contracted responsibilities on the household basis with remuneration linked to output was extensively instituted and further developed. In terms of industrial production, 1983 witnessed a record in economic results. Along with the development of industrial and agricultural production, the commodity amount increased, the urban and rural markets became more brisk and commodity prices were basically stabilized. In the course of building socialist material civilization, great achievements were scored in building socialist spiritual civilization.

The campaign against serious economic irregularities and serious criminal offenders was launched in a penetrating manner, thus effecting a noticeable turn for the better in social order.

Over the past year, the province has continued to conduct the five stresses, four beauties and three ardent loves activity, strengthened the ideological and political work, and launched the campaign of eliminating the influence of bourgeois ideas and spiritual pollution. At the same time, party organizations at all levels across the province have organized broad masses of party members and cadres to study the documents of the 12th CPC Congress and the "Selected Works of Deng Xiaoping," and have continually conducted the education and inspection on party spirit, party style, and party discipline, thus achieving a turn for the better in party style to some extent. Relatively good results have also been achieved in the administrative reform and the reorganization of leading bodies. The fulfillment of these achievements has resulted from the conscientious implementation of the party line, principles, and policies formulated since the 3d Plenary Session of the 11th CPC Central Committee under the correct leadership of the CPC Central Committee and should be credited to the efforts of cadres at all levels, the large number of intellectuals, and the people of all nationalities.

The conference summed up the concise situation and achievements in the study of party rectification document conducted by the Standing Committee of the provincial CPC Committee in the previous stage and by the provincial-level organs being subject to the first group of party rectification units. Having solicited in written form the opinions of various localities, departments, and units prior to the conference, the Standing Committee of the provincial CPC Committee asked the conference's participants to raise criticism and suggestions on the work and leadership of the provincial CPC Committee during the conference.

On the basis of pooling the wisdom of the masses and conducting repeated discussions, the conference worked out and approved the major points for 1984. The conference pointed out: In 1984, efforts should be made to conscientiously implement the CPC Central Committee's decision on party rectification, to further implement the CPC Central Committee's principle of readjustment, restructure, consolidation, and improvement, to study and solve in a down-to-earth manner the new problems emerging in the course of the modernization drive, to maintain a steady growth of economy, to conduct party rectification by a high standard, to achieve an even greater turn for the better in the financial and economic situations, in party style, and in the standards of social conduct, to push forward the political and economic situations in a still faster and better way, and to create a new situation in all items of work.

The conference set forth five tasks for 1984:

1. In the field of the national economy, new development should be made in increasing economic results in a comprehensive manner. In agriculture, efforts should be made to develop commodity production and make a new breakthrough in the specialized, socialized, and commercialized production. On the basis of last year's comprehensive bumper harvest, the gross agricultural output value should increase by 4 percent and grain output increase steadily. In terms of industry, efforts should be made to increase the growth rate and economic results by a like speed, centering on the improvement of economic results. The increase of profits and taxes should be higher than that of output value. The total industrial output value should increase by 6 percent.

2. We should conduct party rectification with high standards. Comprehensive party rectification is a significant policy decision and measure, adopted by our party under the new historical period to capture a new and great victory, and is directly related to the success and failure of the four modernizations. Party organizations at all levels should have a sense of high responsibility and adopt a resolute, serious, and conscientious attitude to achieve this party rectification with high standards. Never should they conduct party rectification work perfunctorily. Both the first group of party rectification units and the units which temporarily do not conduct party rectification should organize party members to study the documents on party rectification, formulated by the CPC Central Committee, persistently make corrections in the course of rectification, overcome unhealthy practices, and firmly attend to the work of eliminating the three types of persons. Both the first group and the second group of party rectification units should enthusiastically conduct the work of eliminating the three types of persons. The key to achieving this work lies in the leaders. Leaders should have a firm stand and a clear attitude to enthusiastically take the lead in this struggle.

3. We should strengthen the work on the ideological front to promote the construction of spiritual civilization. The work on the ideological front is greatly related to the steady development of the economic and political situation. We should hold high the banner of Marxism and socialism to strengthen the ideological and political work of the party, to conduct the education on patriotism, collectivism, socialism, and communism among the people, to guide the people to persist in socialism and the leadership of the party, to work hard and enthusiastically make progress, to strive to have lofty ideals, morality, education, and sense of discipline, to bravely fight for the great and magnificent socialist modernization. We should conduct the struggle to eliminate the corrosive influence of bourgeois ideology and spiritual pollution and further conduct five stresses, four beauties, and three ardent loves campaign. Efforts should be made to achieve education and planned parenthood work.

4. We should continue attending to the struggle against serious criminal offenders and economic criminals.

5. We should attend to organizational reform from beginning to end, strengthen the construction of leading bodies at all levels, and improve the leaders' work style and methods.

In order to fulfill the arduous strategic tasks for 1984, the provincial CPC Committee called on party members and cadres at all levels across the province and the people of all nationalities to strengthen unity, to dedicate heart and soul to mobilize the positive factors in all fields, and to make concerted efforts to fight for a new and greater success in socialist modernization.

COMMENTARY ON PRC PROPOSALS FOR TAIWAN REUNIFICATION

HK261550 Beijing ZHONGGUO XINWEN SHE in Chinese 0749 GMT 26 Jan 84

[Commentary by ZHONGGUO XINWEN SHE reporter Liao Fujun: "Zhao Ziyang Places High Hopes on Overseas Chinese" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 26 Jan (ZHONGGUO XINWEN SHE) -- Zhao Ziyang has just concluded his visit to the United States and Canada. Most Overseas Chinese are content with his successful visit and were inspired by his interpretation made in San Francisco on the policy of peaceful reunification of the motherland. It is extensively admitted that the CPC has a sincere desire to initiate the third cooperation with the KMT and to realize the peaceful reunification of the motherland.

The CPC has shown its sincere desire for peaceful reunification of the motherland within an initiative on reconciliation fully embodied in its fair and reasonable policy. Zhao Ziyang earnestly declared that the starting point of the CPC's policy on peaceful reunification is to respect history, respect reality, and give full consideration to the will of the Taiwan people of all nationalities and the interests of the Taiwan authorities. This policy does not mean that the mainland will gobble up Taiwan or vice versa. Taiwan can exist as a special administrative zone, enjoying the full right of self-determination. Reviewing developments since 1981, from the nine-point proposal of Ye Jianying and the suggestion on peaceful reunification put forth by Deng Xiaoping in his talks with Professor Yang Liyu, to the above statements made by Zhao Ziyang at the beginning of this year, it can be seen that the CPC is modifying its proposal for peaceful reunification into a more mature and complete one and is taking an increasingly generous attitude and a more and more conciliatory tone. Indeed, these statements have given people confidence and hope.

Therefore, there are reasons for Overseas Chinese to expect a positive response from the Taiwan authorities to Zhao Ziyang's talks in San Francisco. However, as everybody know, the Taiwan authorities' "three no's principle," namely, "no contact, no negotiations, and no compromise," is the very obstacle to the reopening of the talks and the third cooperation between the KMT and the CPC.

The Taiwan authorities' refusal of the CPC's fair and reasonable offer is obviously unreasonable. Under the pressure of overseas media, the Taiwan authorities cannot but deny the proposal by degrading it as a "united front plot" devised by the CPC. Actually such a claim is groundless.

What is a united front? It implies that the two parties unite and cooperate with each other, coexist for a long period in the future, supervise each other, join together to establish a patriotic united front, make concerted efforts to build a unified, strong, prosperous, and modernized China, and make contributions to the prosperity of the Chinese nation. This is exactly the united front which the CPC is pursuing. Such a cause will have every advantage and no drawback to our state, nation, and descendants. Then how can it be called a "plot?"

Do the Taiwan authorities still have doubts about the CPC's sincerity for peaceful reunification today? Let us listen to the frank and moving appeal which Deng Yingchao made on 16 January at the symposium to commemorate the 60th anniversary of the first national congress of the Chinese KMT and to mark the founding of the Society to Study Sun Yat-sen! She said: "It is understandable that our KMT friends in Taiwan still for the moment have various doubts due to a long isolation between us in the past. But I hope that they will not hesitate and delay too long.

As long as our two parties can take the reunification of the motherland as our common goal, be frank with each other, consult with each other, and have an exchange of views between us all the time, we will finally reach a fair, reasonable, and appropriate solution to the problem between us."

However, the Taiwan authorities always turn a blind eye and a deaf ear to repeated appeals by the CPC. While the CPC calls the KMT "friends," the Taiwan authorities denounce the CPC as "communist bandits." Do the Taiwan authorities lack common sense? Certainly not. Their gesture simply shows their cowardice and diffidence. By hurling abuse, the Taiwan authorities will never win the support of Overseas Chinese. On the contrary, they have already aroused aversion among many people in Taiwan.

While Chinese on both sides of the Taiwan Strait earnestly yearn for the reunification of the motherland and Overseas Chinese are eagerly looking forward to an early end to the split, the Taiwan authorities are stubbornly upholding their "three no's policy." Who will be able to help the Taiwan authorities to get out of this dead end? History has shown that only the people can do it, while Overseas Chinese can play an important role in the process.

Placing high hopes on Overseas Chinese around the world, Zhao Ziyang said: "In order to solve the Taiwan issue, we place high hopes on the Taiwan authorities and the Taiwan people. On the other hand, we also look forward to the assistance and support of Chinese compatriots all over the world." Overseas Chinese and foreigners of Chinese descent have already made many valuable contributions to promoting communications between the two sides of the Taiwan Strait and pushing ahead the great cause of the reunification of China. If only the Overseas Chinese can make further efforts and help the Taiwan authorities to extricate themselves from the dead end of the "three no's principle!"

FORMER TAIWAN PERSONALITIES TO APPEAR IN TV SPECIAL

OW241237 Beijing XINHUA in English 1147 GMT 24 Jan 84

[Text] Beijing, January 24 (XINHUA) -- A six-hour television special to be broadcast throughout China on the eve of the Spring Festival (the lunar new year) next week will focus on national unity, a theme highlighted by hosts from the mainland, Taiwan and Hong Kong. Huang Yiteng (Huan Yiteang), also known as "Ah Yuan" to audiences in Taiwan, was formerly an announcer on Taipei's official "China Television Station" (CTS). This will be his first meeting with his compatriots on the mainland. He said in an interview he wanted to take this opportunity to wish his audience throughout the country, including his kith and kin still in Taiwan, a happy Spring Festival and reunification at an early date. The Taiwan announcer will preside over two games with Hong Kong film star Chen Sisi (C.C. Chen) and mainland cross-talk performer Jiang Kun. Huang will also sing "Descendants of the Dragon," by returned Taiwan composer Hou Dejian (Hau Tak-kin) with Huang Zhicheng and Li Dawei (Li Ta-wei), two Kuomintang pilots who crossed over from Taiwan.

Hong Kong singers Xi Xiulan and Zhang Mingmin will make special appearances on the program, which will also be beamed to Hong Kong. The Spring Festival spectacular will also present arias from regional Chinese operas, cross-talk, pantomime, acrobatics, singing, and sports performances. Other attractions will include Shaolin Wushu (kungfu) master Hai Deng's balancing on one finger and qigong (breathing exercises) masters of the Hou family standing on an egg. Viewers nationwide will also be welcomed to call the TV station to choose programs. China's television network will usher in the lunar new year at midnight on February 2 with scenes of Taipei, Hong Kong and other cities around the country.

GOVERNMENT STRESSES CORRECTING TRADE GAP WITH U.S.

Economic Minister's Comments

OW230423 Taipei CNA in English 0324 GMT 23 Jan 84

[Text] Taipei, Jan. 23 (CNA) -- Narrowing the trade gap between the Republic of China and United States and upgrading the industrial structure are the two top priority tasks of the Ministry of Economic Affairs in 1984, according to Economic Affairs Minister Chao Yao-tung. The ROC-U.S. trade runs heavily in favor of the Republic of China. It accumulated to U.S. \$6.6 billion last year in favor of the Republic of China. The surplus has reached an "amount which has become unbearable to the United States," Chao said at a press conference last Saturday.

"The Republic of China must make every effort to narrow the trade gap without at the same time decreasing the current trade volume," he said, "or the situation may eventually prove to be harmful to our economy should the U.S. retaliate with various trade barriers."

Chao also put strong emphasis on the improvement of the nation's industrial structure. "Economic development relies on industry, and industry on science and technology."

"Our products will lose their competitiveness in the overseas markets if we do not have advanced technology," he said. "Furthermore, if we want to diversify our overseas markets and set up footholds in countries like Japan, Europe and, especially, Southeast Asia, advanced technology is essential." Chao, who always calls a spade a spade, pledged that his ministry would enter into its second "action year," with strategies emphasizing industrial automation and importation of high technology.

Meanwhile the Ministry of Economic Affairs has approved the mid-term development of plans (from fiscal 1985 to 1990) for ten state-run enterprises to further promote the nation's economic development, upgrade the industrial structure and give support to the defense industry. According to the plan, the total revenues of the ten state-run enterprises will reach NT dollars 800 billion (U.S. \$20 billion) in the fiscal year 1990.

Council Discusses Measures

OW270441 Taipei CNA in English 0302 GMT 27 Jan 84

[Text] Taipei, Jan. 27 (CNA) -- The government should consider lessening the export requirement for American invested firms in Taiwan to help narrow down the widening trade gap between the United States and this country, the Council for Economic Planning and Development said Thursday. As the same time, the council at a special meeting of its advisory committee Thursday afternoon also proposed that trade protective measures in favor of American firms here should be cancelled to facilitate improvement of the trade situation.

Presided over by Yu Kuo-hwa, chairman of the council, the special meeting was convened exclusively to discuss the issue of Sino-American trade imbalance and ways and means to remedy the situation. Conclusions reached at the meeting, which cover a variety of issues, included:

Liberalization of imports, lowering import duties on consumer goods, and relaxation of controls on banking, insurance, stock transactions and ocean shipping;

Assisting U.S. firms to promote sales of their products in Taiwan. While promoting exports, the China External Trade and Development Council may also devote its efforts to trade information and analysis on import items;

Encouraging investments in foreign countries, particularly in the Caribbean Sea area for reexport to the U.S. market;

The government should not only encourage diversification of export markets, but should also diversify export products. Efforts should be directed to high-valued items; and

Contributing about U.S.\$6 million as funds or scholarships to sponsor courses related to Chinese culture and policies at selected U.S. universities to promote cultural, political and diplomatic exchanges.

PRESIDENT CHIANG CHAIRS MILITARY MEETING

OW250441 Taipei CNA in English 0330 GMT 25 Jan 84

[Text] Taipei, Jan 25 (CNA) -- President Chiang Ching-kuo Tuesday called on officers and men of the armed forces to continue dedicating themselves in pursuing more progress so as to build up a modern revolutionary forces. With such a strength, the national recovery bastion will surely be safeguarded and the mission of reunification of China will be soon accomplished, President Chiang assured.

President Chiang Tuesday presided over a military meeting at the Presidential Office. He heard reports from military leaders including Defense Minister Soong Chang-chih and Gen Hau Pei-tsung, chief of general staff. President Chiang highly lauded the military for their high morale and solid unity. Their hard struggle has further beefed up the national military power over the past year, he added. Their sense of responsibility and courage to sacrifice have fully glorified the revolutionary spirit, the president said and urged them to unite with one will as well as to build harmonious relations with civilians.

Moreover, a well-planned training program and strict discipline, with the support of modern weaponry and stepped up research efforts, have hardened the military men's fighting will, making them more confident in completing their missions, President Chiang stressed. He also pointed out that only with these facts the final victory of this nation would be assured. Today, the nation's military forces are well trained with one will, President Chiang said. He further exhorted that all officers and men should continue to try hard to keep themselves as the strongest forces in the Free World in fighting against communism. They will not only protect safety of the Taiwan area and the offshore islands of Kinmen and Matsu, but also serve as a signal of the help for compatriots on the mainland in their struggle for freedom and democracy, the president said.

President Chiang urged the military to continue maintaining a high alert, with determination and preservation, and prepare themselves so as to crush any challenge from the Chinese Communists and accomplish the national revolutionary mission at an early date.

ARMED FORCES TO SET UP 'AUTOMATIC COMMAND SYSTEM'

OW231225 Taipei CHINA POST in English 18 Jan 84 p 12

[Text] The military will adjust the structure of the armed forces and accelerate the establishment of an automatic command system in fiscal 1985 to promote its combat capability, according to the Executive Yuan. In a written report on the administrative directions for fiscal 1985 submitted to the Legislative Yuan yesterday, the Executive Yuan also pointed out that the military authorities will expand cooperation with foreign nations in the development and production of advanced weapons so as to develop an independent national defense system in the near future.

In diplomacy, the government will strengthen bilateral relations with friendly nations; expand substantial relations and scientific cooperation with foreign nations; make more efforts in seeking diplomatic relations with newly established nations; and continue mutual visits with foreign friends.

The Executive Yuan specified six administrative goals in the next fiscal year:

- To further develop democracy and the rule of law, strengthen social welfare, carry out district planning, improve medical care, and strengthen the control over crimes.
- To carry out all-direction diplomacy and complete the national policy of anti-Communism.
- To practice thrift in building up military forces, strengthen modernization of the armed forces, and develop military science and technology aggressively.
- To continue the four-year economic plan to maintain economic growth, improve the investment environment, and upgrade industry.
- To strengthen education in the national spirit and improve compulsory and vocational education.
- To promote administrative efficiency and purify political practice.

DEFENSE MINISTRY GIVES ASSURANCE ON SUB DELIVERIES

OW252025 Taipei TZU LI WAN PAO in Chinese 22 Jan 84 p 1

[Text] In a letter delivered to the Control Yuan the other day, the Ministry of National Defense stated that the Netherlands shipyard, the contractor for building two submarines for the country, will be able to complete the project without a hitch and deliver the submarines in 1986 and 1987.

The issue concerning the contract held by the Netherlands shipyard to build the submarines for our country aroused countless discussions and conflicts at the Control Yuan during last year. The discussions concentrated on the following questions: Has the Dutch shipyard (the former RSV Corporation) gone bankrupt? Will the submarines be delivered on schedule? Is there any question about the contract having been signed by the both sides? Is there an article in the contract to guarantee delivery? How was the advance payment made?

The National Defense Committee of the Control Yuan sent two leading members of the committee to the Defense Ministry to inquire about the contract for building the submarines. In a written reply the other day, the ministry stated that the project is going smoothly and the submarines will be delivered in 1986 and 1987.

With the sole exception of You Ching, no member of the National Defense Committee of the Control Yuan objected to the ministry's reply and adopted a resolution requesting the two leading members to continue paying close attention to the issue. However, committee member You Ching pointed out that normally all additional members of the Control Yuan would be relieved of their duties as of the end of 1986. Thus they would have no right to investigate the matter should any mistake happen at that time.

MAGAZINE BANNED FOR VIOLATING NATIONAL POLICY

OW250807 Taipei CHINA POST in English 22 Jan 84 p 8

[Text] The Government Information Office (GIO) yesterday announced the weekly magazine SENH-KIN [SHEN-KEN] (ROOTS) will be suspended from publication for one year for what was termed "a very serious violation of the nation's anti-Communist policy."

According to the GIO, the suspension came following the publication of two offending articles in issue 12 of the nonpartisan magazine, one of which was entitled "Real Political Structures and Taiwan," and the other, "Is the U.S. Pressuring the KMT To Enter Peace Talks With the Chinese Communists?" The government media watchdog said the content of the articles was "not consistent with the registered scope of interest" filed by the magazine.

According to a report carried in the local Chinese-language daily the INDEPENDENCE EVENING POST, the suspension of the magazine is one more action in a series of government crackdowns on magazines published by non-partisans that have occurred recently. According to the paper, prior to the year-long suspension of SENH-KIN, publication had been suspended for two issues by the Taiwan Garrison Command, the 23rd issue of KUAN F'AI (CARE) magazine was confiscated and issues of the moderate NUAN LIU (CURRENT) were confiscated from the shop where they were being printed Friday by security agents.

The article said nonpartisan publishers of politically oriented magazines are aware of a tightening of the reins on public expression and expect the trend to continue until after the presidential election later this year. The evening paper said nonpartisan magazine publishers have asked representatives of the Taiwan Garrison Command to meet with them and try to define what are the permissible limits of the freedom of the press, which the publishers say are obscure, but the offer has been turned down by the command.

Some observers feel the recent moves to organize the nonpartisans into a "non-partisan association" in the face of a ban on the organization of political parties may also have touched off the crackdown and closure of non-partisan magazines.

DENG XIAOPING CONCLUDES SHENZHEN ZONE INSPECTION

HK270206 Hong Kong WEN WEI PO in Chinese 27 Jan 84 p 1

["Dispatch from Shekou" by reporter Kuang Yu: "Deng Xiaoping Leaves Shenzhen by Warship"]

[Text] Deng Xiaoping, CPC Central Committee Political Bureau Standing Committee member and Central Advisory Commission chairman; and Political Bureau members Yang Shangkun and Wang Zhen and their large party left the Shenzhen special zone by ship yesterday afternoon at the conclusion of their 2 and 1/2-day inspection. They were accompanied by Guangdong Provincial Governor Liang Lingguang.

Deng Xiaoping and his large party arrived in Shenzhen by train at 1100 on 24 January. They immediately embarked on a busy schedule.

At about 0900 yesterday he went to inspect the Shekou industrial area of the Shenzhen special zone and also toured a microwave transmitting station on the top of a small mountain, where he stayed about 20 minutes. Apart from looking down from that spot on the entire crescent-shaped industrial zone, he also listened to an introduction given by Yuan Geng, China Merchants Company director general of the Shekou Industrial Zone. Shortly after that he visited a freight container plant. He also boarded the 10,000 ton luxury passenger ship Minghua anchored in Shekou Bay and listened to reports on work from sectors concerned. He also dined and rested on the ship.

Deng Xiaoping in Fine Spirits

When Deng Xiaoping boarded the ship he was watched by a large crowd of people some 100 meters away. He smiled and waved to them in greeting.

Deng Xiaoping and his party at 1430 boarded a warship to depart. When he boarded, over 100 neatly uniformed young sailors greeted the leader. Deng Xiaoping immediately said: "I hope you comrades are well." He then sat down for a commemorative photograph with the sailors and shook hands with them. When the vessel slowly moved away, Deng Xiaoping, smiling, came out on deck again to wave goodbye to those seeing him off.

Deng Xiaoping, who is 79 this year, was in fine spirits and excellent health yesterday. He wore a gray Sun Yat-sen jacket. Deng Xiaoping and his party were seen off by Liang Xiang, Zhou Ding, Yuan Geng, Cou Erkang, Zhen Xipei, Xu Zhiming, and other responsible persons of sectors concerned.

MINISTRY SAYS PRC NOW LEADING EXPORTER TO HONG KONG

HK250130 Hong Kong SOUTH CHINA MORNING POST in English 25 Jan 84 pp 1, 26

[Report by Carmen Chan]

[Excerpt] Peking, 24 Jan -- With the eighth round of the Sino-British talks on Hong Kong's future getting underway here tomorrow, a spokesman for the Chinese Ministry of Foreign Economic Relations and Trade said today China had become the number one exporter to the territory. At a briefing, the spokesman, Mr Huang Wenjun, said China's exports to Hong Kong continued to grow last year despite the fluctuation of the Hong Kong dollar.

However, he added, the fluctuation of the Hong Kong dollar had incurred losses in China's earnings through exports to the territory. "Because of the devaluation of the Hong Kong dollar, China has suffered quite a loss. It is inevitable," he said. He said China exported U.S. \$5.3 billion (about HK \$41.34 billion) worth of products to Hong Kong last year, 6.6 percent more than in 1982.

Mr Huang said it was difficult to calculate the exact amount lost as contracts were placed at different times of the year. China suffered quite a sizeable loss when the Hong Kong dollar plummeted after the contracts were fixed. Mr Huang also said that of the 105 joint-venture projects approved by the Chinese Government last year, Hong Kong was involved in 73.

FOREIGN LOANS WILL BE SOUGHT FOR NUCLEAR PLANT

HK250140 Hong Kong SOUTH CHINA MORNING POST in English 25 Jan 84 p 1

[Article by Donald Cheung]

[Text] Loans totalling U.S. \$2 billion (about HK \$15.6 billion) will be initially raised from a number of foreign banks to finance the Daya Bay nuclear power plant project, according to a Chinese official at the plant's Shekou office. Mr Hu Zhanping, a secretary of the power station's preparatory committee, yesterday told SCM POST that the Bank of China would act as the guarantor for such loans. "The Bank of China will borrow money from foreign banks on our behalf," he said.

Other Chinese officials have previously said that the Bank of China would co-ordinate the arrangement of credit facilities to finance the project, which China estimated will cost about HK \$32 billion. And the Chinese Government will provide about \$10 billion -- roughly one-third of the loans required -- towards construction of the nuclear power plant.

Mr Hu yesterday stressed that no single agreement had been signed with any banks, but added that "we have confidence in raising the loans. Up till now, we haven't signed any agreement with the banks. We will have to wait until the joint-venture company is set up," Mr Hu said, adding that the joint company is expected to be established in mid-March.

Declining to name any banks, the official would only say that they include concerns from Japan, the United States, Britain, France and Canada. It has been reported that at least two banks, the Banque Nationale de Paris [BNP] and the UK arm of Schroder and Chartered, would each be financing \$10 to \$12 billion towards the projects. BNP will be financing Electricite de France and Framatome, which will be providing consultancy services, and two 900 megawatt reactors respectively. Schroders will be financing the General Electric Co of UK which will be providing conventional equipment for the generators.

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